

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-39085

HBT Financial, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

401 North Hershey Rd
Bloomington, Illinois 61704

(Address of principal executive offices,
including zip code)

37-1117216

(I.R.S. Employer
Identification No.)

(309) 662-4444

(Registrant's telephone number,
including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	HBT	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates on the last business day of the registrant's most recently completed second fiscal quarter was \$318.3 million, determined using a per share closing price for the registrant's common stock on that date of \$25.21, as quoted on The Nasdaq Global Select Market. As of February 18, 2026, there were 31,431,924 shares outstanding of the registrant's common stock, \$0.01 par value.

DOCUMENTS INCORPORATED BY REFERENCE

Items 10, 11, 12, 13 and 14 of Part III incorporate information by reference from the definitive Proxy Statement for the 2026 Annual Meeting of Stockholders of HBT Financial, Inc. to be filed within 120 days of December 31, 2025.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Annual Report are forward-looking statements, within the meaning of the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). Forward-looking statements are generally identifiable by use of the words "believe," "may," "will," "should," "could," "expect," "estimate," "intend," "anticipate," "project," "plan," "propose," "seek," "continue," "predict," as well as the negative forms of those words, or similar expressions. Forward-looking statements are frequently based on assumptions that may or may not materialize and are subject to numerous uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that could cause actual results to differ materially from the results anticipated or projected and which could materially and adversely affect our operating results, financial condition or prospects include, but are not limited to:

- the strength of the local, state, national, and international economies and financial markets (including effects of inflationary pressures and supply chain constraints);
- effects on the United States ("U.S.") economy resulting from the threat or implementation of, or changes to, existing policies and executive orders including tariffs, immigration policy, regulatory or other governmental agencies, foreign policy and tax regulations;
- the economic impact of any future terrorist threats and attacks, widespread disease or pandemics, acts of war or other threats thereof (including the Russian invasion of Ukraine, conflicts in the Middle East, and recent military activity in Venezuela), or other adverse events that could cause economic deterioration or instability in credit markets, and the response of the local, state and national governments to any such adverse external events;
- new and revised accounting policies and practices, as may be adopted by state and federal regulatory banking agencies, the Financial Accounting Standards Board or the Public Company Accounting Oversight Board;
- changes in local, state and federal laws, regulations and governmental policies concerning the Company's general business and any changes in response to bank failures;
- the imposition of tariffs or other governmental policies impacting the value of products produced by the Company's commercial borrowers;
- changes in interest rates and prepayment rates of the Company's assets;
- increased competition in the financial services sector, including from non-bank competitors such as credit unions and "fintech" companies, and the inability to attract new customers;
- technological changes implemented by us and other parties, including our third-party vendors, which may have unforeseen consequences to us and our customers, including the development and implementation of tools incorporating artificial intelligence;
- unexpected results of acquisitions, which may include failure to realize the anticipated benefits of acquisitions and the possibility that transaction costs may be greater than anticipated;
- the loss of key executives and employees, talent shortages and employee turnover;
- changes in consumer spending;
- unexpected outcomes or costs of existing or new litigation or other legal proceedings and regulatory actions involving the Company;
- the economic impact on the Company and its customers of climate change, natural disasters and of exceptional weather occurrences such as tornadoes, floods and blizzards;
- fluctuations in the value of securities held in our securities portfolio, including as a result of changes in interest rates;
- credit risks and risks from concentrations (by type of borrower, geographic area, collateral and industry) within our loan portfolio (including commercial real estate loans) and large loans to certain borrowers;
- the overall health of the local and national real estate market;
- the ability to maintain an adequate level of allowance for credit losses on loans;
- the concentration of large deposits from certain clients who have balances above current FDIC insurance limits and who may withdraw deposits to diversify their exposure;
- the ability to successfully manage liquidity risk, which may increase dependence on non-core funding sources such as brokered deposits, and may negatively impact the Company's cost of funds;
- the level of nonperforming assets on our balance sheets;
- interruptions involving our information technology and communications systems or third-party servicers;

- the occurrence of fraudulent activity, breaches or failures of our third-party vendors' information security controls or cybersecurity-related incidents, including as a result of sophisticated attacks using artificial intelligence and similar tools or as a result of insider fraud;
- the effectiveness of the Company's risk management framework and internal disclosure controls and procedures;
- potential adverse reactions or changes to business or employee relationships, including those resulting from the completion of the acquisition of CNB Bank Shares, Inc. ("CNB");
- the ultimate timing, outcome and results of integrating the operations of CNB into those of HBT;
- the effects of the merger with CNB in HBT's future financial condition, results of operations, strategy and plans;
- the effects of the current U.S. government shutdown, including the impact of prolonged closures or staffing reductions at government agencies effecting our business; and
- the ability of the Company to manage the risks associated with the foregoing as well as anticipated.

Additional factors that could have a material adverse effect on the operations and future prospects of the Company and its subsidiaries are discussed in Part I, Item 1A "Risk Factors", Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Annual Report on Form 10-K. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. All statements in this document, including forward-looking statements, speak only as of the date they are made. We do not undertake any obligation to update any forward-looking statement in the future, or to reflect circumstances and events that occur after the date on which the forward-looking statement was made.

PART I

ITEM 1. BUSINESS

COMPANY OVERVIEW

HBT Financial, Inc. (the "Company" or "HBT Financial"), a Delaware corporation incorporated in 1982, is a bank holding company headquartered in Bloomington, Illinois that has elected to be regulated as a financial holding company. As of December 31, 2025, we had total assets of \$5.1 billion, loans held for investment of \$3.5 billion, and total deposits of \$4.4 billion. Through our bank subsidiary, Heartland Bank and Trust Company ("Heartland Bank" or the "Bank"), we provide a comprehensive suite of financial products and services to consumers, businesses, and municipal entities throughout Illinois and eastern Iowa. The Company's common stock is traded on the Nasdaq Global Select Market under the symbol "HBT."

The roots of our Company can be traced back to 1920 when M.B. Drake, the grandfather of our Executive Chairman, Fred Drake, helped found a community bank in Cornland, Illinois. The Drake family went on to operate several banks throughout central Illinois, and in 1982, George Drake (M.B.'s son and Fred's father) incorporated the Company as one of the first multi-bank holding companies in Illinois. Since that time, we have grown both organically and through the successful integration of more than a dozen community bank acquisitions.

The foundation for our success has been built upon a steadfast commitment to our core operating principles:

- **Prioritize safety and soundness.** We engage in safe and sound banking practices that preserve the asset quality of our balance sheet and protect our deposit base.
- **Maintain strong profitability.** We have produced consistently strong earnings even through challenging cycles such as the 2008-2009 global financial crisis and the COVID-19 pandemic.
- **Continue disciplined growth.** We have a strong track record of successful organic and acquisitive growth with our seasoned senior management team.
- **Uphold our Midwestern values.** We convey the values of the Midwest through hard work and perseverance. We serve our customers attentively; provide development opportunities and rewards for our staff; and generate positive returns for our stockholders.

CNB BANK SHARES, INC. ACQUISITION

On March 1, 2026, HBT Financial completed its acquisition of CNB, the holding company for CNB Bank & Trust, N.A. ("CNB Bank"). The combined company will have increased density in the central Illinois, Chicago MSA, and St. Louis MSA markets. Prior to the acquisition, CNB operated 18 full-service branch locations which now operate as branches of Heartland Bank. The core system conversion is expected to occur in March 2026.

As of December 31, 2025, CNB had total assets of \$1.8 billion, total loans of \$1.3 billion, and total deposits of \$1.5 billion. This acquisition is a subsequent event and the financial results of CNB are not recognized in this Form 10-K.

Total consideration consisted of 5.5 million shares of HBT Financial's common stock and \$34 million in cash. Based upon the closing price of HBT Financial common stock of \$26.96 on February 27, 2026, the aggregate consideration was approximately \$182 million.

TOWN AND COUNTRY FINANCIAL CORPORATION ACQUISITION

On February 1, 2023, HBT Financial completed its acquisition of Town and Country Financial Corporation ("Town and Country"), the holding company for Town and Country Bank. The acquisition of Town and Country further enhanced HBT Financial's footprint in central Illinois and expanded our footprint into metro-east St. Louis. At the time of acquisition, Town and Country Bank operated 10 full-service branch locations which began operating as branches of Heartland Bank. The core system conversion was successfully completed in April

2023. After considering business combination accounting adjustments, Town and Country added total assets of \$937.2 million, total loans held for investment of \$635.4 million, and total deposits of \$720.4 million.

Total consideration consisted of 3.4 million shares of HBT Financial's common stock and \$38.0 million in cash. Based upon the closing price of HBT Financial common stock of \$21.12 on February 1, 2023, the aggregate consideration was approximately \$109.4 million. Goodwill of \$30.5 million was recorded in the acquisition.

PRODUCTS AND SERVICES

Our products and services are primarily deposit, lending, and ancillary products that offer a broad range of options to meet the financial needs of consumers, businesses, and municipal entities. We provide a digital banking suite of products so that all consumer and commercial customers can do their banking at their convenience, through their channels of choice.

Additionally, we provide traditional trust and investment services, farmland management, and farmland sales through our wealth management division.

Lending Products and Services

We offer a broad range of lending products with a focus on regulatory commercial real estate ("CRE"), which includes non-owner occupied CRE, construction and land development ("C&D") and multi-family; commercial and industrial ("C&I") and owner-occupied CRE; agricultural and farmland; and one-to-four family residential loans. We also provide municipal, consumer and other loans.

We have a strong credit culture that is prudent, favors asset quality first, and balances local lenders' knowledge of their marketplace with a strong centralized credit process. We maintain a well-diversified portfolio of loans and control concentrations related to loan types and specific industries or businesses.

Regulatory CRE

We provide financing for a wide variety of property types including multi-family, retail, warehouse, office, senior living, and hotel/motel. Our C&D portfolio includes both ground up construction projects and renovation projects in addition to some developed and undeveloped land. We focus on borrowers with successful backgrounds in owning, managing, and developing real estate projects.

C&I and Owner-Occupied CRE

We make loans to a wide variety of businesses with no material concentration in any one industry. C&I loans primarily include loans for working capital and equipment needs. Owner-occupied CRE primarily includes amortizing first mortgage loans on properties occupied by our C&I customers. We focus on small and middle market businesses in the communities that we serve.

Agriculture and Farmland

With our roots in rural Illinois communities, we have a long history of financing agriculture production and farmland. We originate loans to agriculture producers for input costs, equipment, and land. Most of our agriculture loans are to family farms growing corn and soybeans.

One-to-Four Family Residential

These loans include both owner-occupied and non-owner occupied one-to-four family homes and condominiums. They consist of first mortgage amortizing loans, second mortgage amortizing loans, and home equity lines of credit, primarily originated by our lenders through our branch network on properties in the communities that we serve.

Deposit Products and Services

We offer traditional bank deposit account services as well as digital banking services tailored to meet the needs of today's deposit consumers. Our deposit accounts consist of noninterest-bearing demand deposits, interest-bearing transaction accounts, money market accounts, savings accounts, certificates of deposits, HSA, and IRA accounts. Our digital banking services include online banking, mobile banking, digital payments, and personal financial management tools. We also provide small business and commercial checking accounts and related services such as treasury management.

Wealth Management

Our wealth management division provides financial planning to consumers, trusts, and estates; trustee and custodial services; investment management; corporate retirement plan consulting and administration; and retail brokerage services. Further, our agriculture services department operates under our wealth management division and provides farm management services and brokers farmland sales and crop insurance throughout our markets.

Residential Mortgage Origination and Servicing

We originate one-to-four family residential mortgage loans primarily through our mortgage lenders within our branch network. We sell conventional loans to both Freddie Mac and Fannie Mae and retain the servicing for substantially all those loans. We also originate FHA, VA, and Rural Development loans.

MARKET AREA

As of December 31, 2025, our branch network included 66 full-service branch locations throughout Illinois and eastern Iowa. We hold a leading deposit market share in many of our markets in central Illinois, which we define as a top three deposit share rank, providing the foundation for our strong deposit base. The stability provided by this low-cost funding is a key driver of our strong track record of financial performance. Our long history of providing relationship-based, personal banking services; the successful integration of several strategic in-market acquisitions; and a relatively small presence of money center and super-regional banks in our mid-sized markets has enabled us to maintain meaningful market share in these markets.

We believe our diverse footprint in both urban and rural markets positions us well relative to our competition in terms of access to both high quality, stable funding sources and loan growth opportunities in attractive markets. We consider ourselves to be well positioned to meet the needs of commercial and retail customers through our branch network, our comprehensive suite of banking and wealth management products, and our commitment to building and maintaining customer relationships.

BUSINESS STRATEGY

We intend to pursue the following strategies that we believe will continue to drive growth while maintaining our high levels of asset quality and profitability:

Preserve Strong Ties to our Communities

Our community banking approach stems from our Midwestern values—hard work and perseverance. We attentively serve our customers and provide development opportunities and rewards to our staff. Our senior management team lives and works in the communities we serve, allowing us to deliver banking solutions tailored to our target customers' needs. This dedication strengthens our presence and drives growth in our markets. The quality of our comprehensive suite of products and services coupled with our relationship-based approach to banking contribute meaningfully to our growth and success.

Deploy Excess Deposit Funding into Loan Growth Opportunities

Our strong market share in our core mid-sized markets provides a stable source of attractive funding. We believe our scale in these mid-sized markets and the relative scarcity of money center banking institutions operating in them creates a highly defensible market position whereby we can continue to maintain our funding

cost advantage relative to our peers. We believe the Chicago MSA provides significant opportunities for loan growth. Many competitors in this market are money center or super-regional banks, and we believe our responsive, local decision-making provides a competitive advantage over these larger, more bureaucratic institutions. Further, we could benefit from continued market disruption in the Chicago MSA, caused by recent significant bank acquisitions, by acquiring talent and customers experiencing displacement.

Maintain a Prudent Approach to Credit Underwriting

Robust underwriting and pricing standards have been a hallmark of the Company and continue to serve as a central tenet of our banking strategy even as we grow our loan portfolio in newer markets. We intend to prudently deploy our excess funding and liquidity into assets that optimize risk-adjusted returns with minimal losses. Further, we believe our history of maintaining strong asset quality and minimal levels of problem assets even through the global financial crisis confirms the effectiveness of our strong credit underwriting.

Pursue Strategic Acquisitions

Our management team has a history of successfully integrating strategic acquisitions over several decades. We believe this track record positions the Company to be an attractive acquirer for many potential partners. We continue to opportunistically seek acquisitions that are either located within our market footprint, in adjacent markets or provide a new growth opportunity that is strategically and financially compelling and consistent with our culture.

HUMAN CAPITAL RESOURCES

Employees

At December 31, 2025, we had 826 full-time equivalent employees. Our employees are not represented by a collective bargaining unit, and we consider our working relationship with our employees to be good. At December 31, 2025, our average tenure was 7.5 years.

Employee Engagement and Retention

We recognize that the fulfillment of our mission requires attracting, developing, and retaining a diverse group of highly qualified employees. To support these objectives, our human resources programs are designed to identify, reward, and recognize excellent performance and loyalty. We utilize regular employee engagement surveys to seek feedback on a variety of topics, including but not limited to, confidence in Company leadership, competitiveness of compensation and benefits, career growth opportunities, corporate culture, and communications. We provide a variety of employee recognition programs and an open, social work environment that encourages employees to be engaged and inclusive.

We understand the importance of offering employees a career path and career development opportunities. By doing so, we are well-positioned to retain our talent, support our communities, and produce needed results. We provide required and self-directed job and career development training to cultivate talent throughout the Company, from entry-level to leadership.

Compensation & Benefits

To attract and retain high-performing, skilled individuals, we offer competitive base pay and benefits. Utilizing various industry specific compensation surveys and member associations, we analyze pay practices for jobs and job families on a regular basis to ensure we remain competitive in the markets we operate and to maintain internal pay equity.

To support the well-being of our employees and their families, we provide access to a variety of flexible and convenient healthcare programs for physical and mental health, long-term and short-term disability, paid time off, parental leave, and a Company-matched 401(k) plan.

COMPETITION

Our profitability and growth are affected by the highly competitive nature of the financial services industry. We compete with community banks and credit unions in all of our markets and, to a lesser extent, with money center banks, primarily in the Chicago MSA. Additionally, we compete with non-bank financial services companies, including financial technology companies, digital asset service providers, and other financial institutions operating within the areas we serve.

Our competition for loans comes principally from commercial banks, savings banks, mortgage banking companies, the U.S. Government, credit unions, leasing companies, insurance companies, real estate conduits and other companies that provide financial services to businesses and individuals. Competition for loans remains strong and has resulted in competitive pressures on loan interest rates and terms.

Our most direct competition for deposits has historically come from commercial banks and credit unions. We face increasing competition for deposits from online financial institutions and non-depository competitors such as the mutual fund industry, securities and brokerage firms, and insurance companies. Competition for deposits has increased in recent years and is strong, as excess liquidity at most financial institutions has decreased and the current interest rates are at higher levels compared to the historically low levels experienced in 2020 and 2021.

Financial technology companies are becoming a more direct source of competition to traditional financial institutions as they begin to offer deposit accounts insured by the Federal Deposit Insurance Corporation (the "FDIC") and online lending platforms alongside their core product offerings.

We seek to meet this competition by emphasizing relationship-based service, efficient decision-making tailored to individual needs, and offering robust digital functionality.

We do not rely on any individual, group, or entity for a material portion of our loans or our deposits.

COMPANY WEBSITE

The Company maintains a website at ir.hbtfinancial.com. The contents of this website are not a part of this report. All periodic and current reports of the Company and amendments to these reports filed with the Securities and Exchange Commission ("SEC") can be accessed, free of charge, through this website and at www.sec.gov as soon as reasonably practicable after these materials are filed with the SEC.

SUPERVISION AND REGULATION

General

FDIC-insured banking institutions, their holding companies, and their affiliates are extensively regulated under federal and state law. As a result, our growth and earnings performance may be affected not only by management decisions and general economic conditions, but also by the requirements of federal and state statutes, and by the regulations and policies of various banking agencies, including the Illinois Department of Financial and Professional Regulation (the "IDFPR"), the Board of Governors of the Federal Reserve System (the "Federal Reserve"), the FDIC, and federal and state consumer financial protection agencies. Furthermore, taxation laws administered by the Internal Revenue Service (the "IRS") and state taxing authorities, accounting rules developed by the FASB, securities laws administered by the SEC and state securities authorities, and anti-money laundering and sanctions laws enforced by the U.S. Department of the Treasury (the "Treasury") have an impact on our business. The effect of these statutes, regulations, regulatory policies, and accounting rules are significant to our operations and results.

We are subject to federal and state banking laws that impose a comprehensive system of supervision, regulation, and enforcement on our operations that is intended primarily for the protection of the FDIC-insured deposits and depositors of banks, rather than shareholders. These laws, and the regulations of the banking agencies issued under them, affect, among other things, the scope of our business, the kinds and amounts of investments that the Company and the Bank may make, required capital levels relative to assets, the nature and amount of collateral for loans, the establishment of branches, the ability of the Company and the Bank to

merge, consolidate, and acquire, transactions with the Company's and the Bank's insiders and affiliates, and our payment of dividends.

In response to the global financial crisis, and particularly following the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), we experienced heightened regulatory requirements and scrutiny. Although the reforms primarily targeted large banking organizations and systemically important financial institutions, their influence filtered down in varying degrees to community banking organizations over time and caused our compliance and risk management processes, and the costs thereof, to increase. The Economic Growth, Regulatory Relief and Consumer Protection Act of 2018 ("Regulatory Relief Act") eliminated questions about the applicability of certain Dodd-Frank Act reforms to community banking organizations, including relieving us of any requirement to engage in mandatory stress tests, maintain a risk committee, or comply with the Volcker Rule's complicated prohibitions on proprietary trading and ownership of private funds.

Over the past year, the federal banking agencies have continued efforts to reduce regulatory burden on banking organizations, including community banks, through various supervisory, regulatory, and policy initiatives. These efforts have included the rescission or revision of certain rulemakings and proposals, initiatives to streamline examination and application processes, and efforts to increase transparency and consistency in supervisory expectations. Congress also has considered additional measures aimed at easing specific compliance obligations for community banks, although no reforms comparable in scope to the Regulatory Relief Act have been enacted to date. These developments may be favorable to the operations of the Company or the Bank; however, future changes in laws, regulations, or supervisory priorities, and their impacts on the Company's or the Bank's business, remain uncertain.

The supervisory framework applicable to U.S. banking organizations subjects banks and bank holding companies to regular examination by their respective banking agencies. Examination results in confidential examination reports and supervisory ratings may impact an institution's operations, capital levels, growth, and strategic initiatives. Examinations consider not only compliance with applicable laws and regulations, but also capital levels, asset quality, management ability, earnings, liquidity, and overall risk profile, among other things. The banking agencies generally have broad discretion to impose restrictions and limitations on the operations of a regulated entity where the agencies determine, among other things, that such operations are unsafe or unsound, violate applicable law, or are otherwise inconsistent with laws and regulations. Changes in supervisory approach or emphasis may materially affect the operations and financial results of the Company and the Bank, as well as the banking industry in general.

In recent supervisory communications, rulemakings, and policy statements, federal banking agencies have indicated an increased focus on core, material financial risks (rather than risk management processes), greater transparency in supervisory expectations and efforts to reduce examination burden, particularly for community banks. For example, the FDIC, the Bank's primary federal regulator, has proposed or implemented initiatives: (i) to clarify standards for unsafe or unsound practices; (ii) to enhance supervisory appeals processes; (iii) to streamline examination procedures; and (iv) to revise standards governing the termination of enforcement actions. These initiatives may enable management to focus more effectively on growth opportunities and the management of material financial risks.

The following is a summary of the material elements of the supervisory and regulatory framework applicable to the Company and the Bank. It does not describe all of the statutes, regulations, and regulatory policies that apply, nor does it restate all of the requirements of those that are described. The descriptions are qualified in their entirety by reference to the particular statutory and regulatory provision.

The Role of Capital

Regulatory capital represents the net assets of a banking organization available to absorb losses. Because of the risks attendant to their business, FDIC-insured institutions, such as banks, as well as their holding companies (i.e., banking organizations), generally are required to hold more capital than other businesses, which directly affects our earnings capabilities. Although capital historically has been one of the key measures of the financial health of both bank holding companies and banks, its role became fundamentally more important in the wake of the global financial crisis, as the banking agencies recognized that the amount and quality of capital held by banking organizations prior to that crisis was insufficient to absorb losses during periods of severe stress.

Capital Levels

Banking organizations have been required to hold minimum levels of capital based on guidelines established by the federal banking agencies since 1983. The minimum capital levels for banking organizations have been expressed in terms of ratios of “capital” divided by “total assets.” The capital guidelines for U.S. banking organizations beginning in 1989 have been based upon international capital accords (known as the “Basel” accords) adopted by the Basel Committee on Banking Supervision, a committee of central banks and bank supervisors that acts as the primary global standard-setter for prudential regulation, as interpreted and implemented by the U.S. federal banking agencies on an interagency basis. The accords recognized that bank assets, for the purpose of the capital ratio calculations, needed to be risk weighted (the theory being that riskier assets should require more capital), and that off-balance sheet exposures needed to be factored in the calculations. Following the global financial crisis, the Group of Governors and Heads of Supervision, the oversight body of the Basel Committee on Banking Supervision, announced an agreement on a strengthened set of capital requirements for banking organizations around the world, known as the Basel III accords, to address deficiencies recognized in connection with the global financial crisis.

The Basel III Rule

The U.S. federal banking agencies adopted the U.S. Basel III regulatory capital reforms, and, at the same time, effected changes required by the Dodd-Frank Act, in regulations that were effective in 2015 (with certain phase-ins) (the “Basel III Rule”). The Basel III Rule established capital standards for banks and bank holding companies that are meaningfully more stringent than those in place previously.

The Basel III Rule is applicable to all banking organizations that are subject to minimum capital requirements, including national and state banks and savings and loan associations, as well as to most bank and savings and loan holding companies. The Company and the Bank are both subject to the Basel III Rule.

The Basel III Rule also increased the required quantity and quality of capital. Not only did it increase most of the required minimum capital ratios in effect prior to 2015, but, by requiring that capital instruments be of higher quality to absorb loss, it introduced the concept of Common Equity Tier 1 Capital (“CET1”), which consists primarily of common stock, related surplus (net of treasury stock), retained earnings, and CET1 minority interests, subject to certain regulatory adjustments and deductions. The Basel III Rule also changed the definition of regulatory capital by establishing more stringent criteria for instruments to qualify as Additional Tier 1 Capital (primarily non-cumulative perpetual preferred stock that meets certain requirements) and Tier 2 Capital (primarily other types of preferred stock and subordinated debt, subject to limitations). The Basel III Rule also limited the inclusion of minority interests, mortgage-servicing assets, and deferred tax assets in regulatory capital, and required deductions from CET1 if such assets exceeded prescribed thresholds.

The Basel III Rule requires banking organizations to maintain **minimum** capital ratios to be deemed “adequately capitalized” as follows:

- A ratio of CET1 equal to 4.5% of risk-weighted assets;
- A ratio of Tier 1 Capital equal to 6% of risk-weighted assets;
- A ratio of Total Capital (Tier 1 plus Tier 2 Capital) equal to 8% of risk-weighted assets; and
- A leverage ratio of Tier 1 Capital to total quarterly average assets equal to 4%.

In addition, banking organizations that want to make capital distributions (including dividends and stock repurchases), and pay discretionary bonuses to executive officers without restriction, must maintain 2.5% in the form of CET1 for a capital conservation buffer. The purpose of the conservation buffer is to ensure that banking organizations maintain a cushion of capital that can be used to absorb losses during periods of financial and economic stress. Factoring in the capital conservation buffer increases the minimum ratios described above to 7% for CET1, 8.5% for Tier 1 Capital, and 10.5% for Total Capital.

Well Capitalized Requirements

The capital ratios described above represent minimum standards for banking organizations to be considered “adequately capitalized.” Banking agencies uniformly encourage banking organizations to maintain capital at levels above these minimums and to be “well capitalized.” To that end, federal law and regulations provide

various incentives for banking organizations to maintain regulatory capital at levels in excess of minimum regulatory requirements. For example, a well capitalized banking organization may: (i) qualify for exemptions from prior notice or application requirements otherwise applicable to certain activities; (ii) receive expedited processing of other required notices or applications; and (iii) accept, roll-over, or renew brokered deposits. In addition, the banking agencies may require higher capital levels where warranted by an organization's specific risk profile or operating circumstances. For example, the Federal Reserve's capital guidelines contemplate that additional capital may be required to take adequate account of, among other things, interest rate risk, or the risks posed by credit concentrations, nontraditional activities, or securities trading activities. Further, any banking organization experiencing or anticipating significant growth would be expected to maintain capital ratios, including tangible capital positions (*i.e.*, Tier 1 Capital less all intangible assets), well above the minimum regulatory levels.

Under the capital regulations of the Federal Reserve, in order to be well capitalized, a banking organization must maintain:

- A ratio of CET1 to risk-weighted assets of 6.5% or more;
- A ratio of Tier 1 Capital to total risk-weighted assets of 8% or more;
- A ratio of Total Capital to total risk-weighted assets of 10% or more; and
- A leverage ratio of Tier 1 Capital to total adjusted average quarterly assets of 5% or more.

Under the Basel III Rule, a banking organization may be considered "well capitalized," while not complying with the capital conservation buffer requirement described above.

As of December 31, 2025: (i) the Bank was not subject to a directive from the FDIC or the IDFPF to increase its capital; and (ii) the Bank was well capitalized, as defined by FDIC regulations. As of December 31, 2025, the Company had regulatory capital in excess of the Federal Reserve's requirements and met the Basel III Rule requirements to be well capitalized. The Company and the Bank also were in compliance with the capital conservation buffer.

Basel III Endgame Proposal

Previously, federal banking agencies proposed a "Basel III Endgame Rule" to complete the implementation of certain aspects of the Basel III accords, including to the risk weighting of assets; however, the proposal was not adopted, in part due to stakeholder concerns regarding potential economic impacts, data transparency, and the alignment of certain provisions with statutory tailoring requirements. Based on public statements from federal agency officials, it is anticipated that a revised proposal may be issued in the future. Any reproposal of the Basel III Endgame Rule is expected to primarily affect large, complex banking organizations.

Prompt Corrective Action

The concept of a banking organization being "adequately capitalized" or "well capitalized," as defined above, is part of a regulatory enforcement regime that provides the federal banking agencies with broad power to take "prompt corrective action" to resolve the problems of depository institutions based on the capital level of each particular institution. The extent of the banking agencies' powers depends on whether the banking organization in question is "adequately capitalized," "undercapitalized," "significantly undercapitalized" or "critically undercapitalized," in each case as defined by regulation. Depending on the capital category to which a banking organization is assigned, the banking agencies' corrective powers include: (i) requiring the institution to submit a capital restoration plan; (ii) limiting the institution's asset growth and restricting its activities; (iii) requiring the institution to issue additional capital stock (including additional voting stock) or to sell itself; (iv) restricting transactions between the institution and its affiliates; (v) restricting the interest rate that the institution may pay on deposits; (vi) ordering a new election of directors of the institution; (vii) requiring that senior executive officers or directors be dismissed; (viii) prohibiting the institution from accepting deposits from correspondent banks; (ix) requiring the institution to divest certain subsidiaries; (x) prohibiting the payment of principal or interest on subordinated debt; and (xi) ultimately, appointing a receiver for the institution.

Community Bank Capital Simplification

Community banking organizations have long raised concerns with the federal banking agencies about the regulatory burden, complexity, and costs associated with certain provisions of the Basel III Rule. In response, Congress provided an “off-ramp” for institutions, like the Company, with total consolidated assets of less than \$10 billion as part of the Regulatory Relief Act. Section 201 of the Regulatory Relief Act specifically instructed the federal banking agencies to establish a single “Community Bank Leverage Ratio” (“CBLR”) of between 8% and 10%. Under the final rule, a community banking organization is eligible to elect to comply with its capital requirements under the CBLR framework if it has (i) less than \$10 billion in total consolidated assets, (ii) limited amounts of certain assets and off-balance sheet exposures, and (iii) a CBLR greater than 9%. In late 2025, the federal banking agencies proposed changes to the CBLR framework intended to encourage broader adoption, including reducing the required leverage ratio from 9.0% to 8.0%; however, the proposal has not yet been finalized. The Company and the Bank may elect the CBLR framework at any time, but have not currently determined to do so.

Supervision and Regulation of the Company

General

As the sole shareholder of the Bank, we are a bank holding company. As a bank holding company, we are registered with, and are subject to regulation supervision and enforcement by, the Federal Reserve under the Bank Holding Company Act of 1956, as amended (the “BHCA”). We are legally obligated to act as a source of financial strength to the Bank, and to commit resources to support the Bank in circumstances where we might not otherwise do so. Under the BHCA, we are subject to periodic examination by the Federal Reserve. We are required to file with the Federal Reserve periodic reports of our operations, and such additional information regarding us and our subsidiaries as the Federal Reserve may require.

Acquisitions and Activities

The primary purpose of a bank holding company is to control and manage banks. The BHCA generally requires the prior approval of the Federal Reserve for any merger involving a bank holding company, or any acquisition by a bank holding company of another bank or bank holding company. Pursuant to the BHCA and the Dodd-Frank Act, the Federal Reserve may permit a well capitalized and well managed bank holding company to acquire banks located in any U.S. state, subject to federal deposit concentration limits, applicable nondiscriminatory state deposit-cap laws, and state minimum-existence requirements for target banks (not exceeding five years).

The BHCA generally prohibits us from acquiring direct or indirect ownership or control of 5% or more of an outstanding class of the voting shares of any nonbanking entity, and from engaging in any business other than that of banking, managing, and controlling banks, or furnishing services to banks and their subsidiaries. This general prohibition is subject to a number of exceptions. The principal exception allows bank holding companies to engage in, and to own shares of companies engaged in, certain businesses found by the Federal Reserve prior to November 11, 1999 to be “so closely related to banking ... as to be a proper incident thereto.” This authority permits the Company to engage in a variety of banking-related businesses, including, among other things, the ownership and operation of a savings association, or any entity engaged in consumer finance, equipment leasing, the operation of a computer service bureau (including software development), and mortgage banking and brokerage services. The BHCA does not place formal territorial restrictions on the domestic activities of nonbank subsidiaries of bank holding companies. In addition to approval from the Federal Reserve that may be required in certain circumstances, prior approval for the establishment or acquisitions of nonbank subsidiaries by a bank holding company may be required from other agencies, such as the agencies that regulate such nonbank company.

Financial Holding Company Election

Bank holding companies that meet certain BHCA eligibility requirements and elect to operate as financial holding companies may engage in, or own shares in companies engaged in, a wider range of nonbanking activities, including securities and insurance underwriting and sales, merchant banking, and any other activity that: (i) the Federal Reserve, in consultation with the Secretary of the Treasury, determines by regulation or

order is financial in nature or incidental to any such financial activity; or (ii) the Federal Reserve determines by order to be complementary to any such financial activity, as long as the activity does not pose a substantial risk to the safety or soundness of FDIC-insured institutions or the financial system generally.

The Company has elected to operate as a financial holding company. To maintain its status as a financial holding company, the Company and the Bank must be well capitalized and well managed, and the Bank must have a least a satisfactory Community Reinvestment Act ("CRA") rating. If the Federal Reserve determines that a financial holding company is not well capitalized or well managed, the Federal Reserve will provide a period of time in which to achieve compliance, but during the period of noncompliance, the Federal Reserve may place any limitations on the Company that it deems to be appropriate. Furthermore, if the Federal Reserve determines that a financial holding company's subsidiary bank has not received a satisfactory CRA rating, that company will not be able to commence any new financial activities or acquire a company that engages in such activities.

Change in Control

Federal law prohibits any person or company from acquiring "control" of an FDIC-insured depository institution or its holding company without prior notice to the appropriate federal banking agency. "Control" is conclusively presumed to exist upon the acquisition of 25% or more of the outstanding voting securities of a bank or bank holding company, but may be presumed to arise under certain circumstances between 10% and 24.99% ownership.

Capital Requirements

Bank holding companies are required to maintain capital in accordance with Federal Reserve capital adequacy requirements. For a discussion of capital requirements, see "—The Role of Capital" above.

Dividend Payments

The Company's ability to pay dividends to its stockholders may be affected by both general corporate law considerations and the policies and capital requirements of the Federal Reserve applicable to bank holding companies. As a Delaware corporation, the Company is subject to the limitations of the Delaware General Corporation Law ("DGCL"), which allow the Company to pay dividends only out of its surplus (as defined and computed in accordance with the provisions of the DGCL) or if the Company has no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

As a general matter, the Federal Reserve has indicated that the board of directors of a bank holding company should eliminate, defer, or significantly reduce dividends to shareholders if: (i) the company's net income available to shareholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends; (ii) the prospective rate of earnings retention is inconsistent with the company's capital needs and overall current and prospective financial condition; or (iii) the company will not meet, or is in danger of not meeting, its minimum regulatory capital adequacy ratios.

The Federal Reserve also possesses enforcement powers over bank holding companies and their nonbank subsidiaries to prevent or remedy actions that represent unsafe or unsound practices or violations of applicable statutes and regulations. Among these powers is the ability to proscribe the payment of dividends by banks and bank holding companies. Finally, the Basel III Rule imposes consolidated capital requirements on banking organizations. As a result, banking organizations must hold a capital conservation buffer of 2.5% of risk-weighted assets in CET1 above the minimum risk-based capital requirements to avoid regulatory limits on dividends and other capital distributions. See "—The Role of Capital" above.

Monetary Policy

The monetary policy of the Federal Reserve has a significant effect on the operating results of bank holding companies and their subsidiaries. Among the tools available to the Federal Reserve to affect the money supply are open market transactions in U.S. government securities, and changes in the discount rate on bank borrowings. These means are used in varying combinations to influence overall growth and distribution of bank loans, investments, and deposits, and their use may affect interest rates charged on loans or paid on deposits, which may impact the Company's business and operations and that of its subsidiary bank.

Federal Securities Regulation

The Company's common stock is registered with the SEC under the Securities Act and the Exchange Act. Consequently, the Company is subject to the information, proxy solicitation, insider trading, and other restrictions and requirements of the SEC under the Exchange Act.

Corporate Governance/Incentive Compensation

The Dodd-Frank Act addressed many investor protection, corporate governance, and executive compensation matters that will affect most U.S. publicly traded companies. The Dodd-Frank Act increased shareholder influence over boards of directors by requiring companies to give shareholders a nonbinding vote on executive compensation and so-called "golden parachute" payments, and authorizing the SEC to promulgate rules that would allow shareholders to nominate and solicit voters for their own candidates using a company's proxy materials.

The Dodd-Frank Act also directed the Federal Reserve, together with the other federal banking and financial services agencies, to promulgate rules prohibiting excessive incentive-based compensation paid to executives of bank holding companies, regardless of whether such companies are publicly traded. Although several agencies have made repeated efforts to implement rules under this provision of the Dodd-Frank Act—including a proposal issued most recently in May 2024, which was subsequently withdrawn—no final rule has been adopted at this time. Nevertheless, the federal banking agencies have issued interagency guidance on sound incentive compensation practices for banking organizations, reflecting the agencies' recognition that incentive compensation practices in the financial industry were among the factors contributing to the global financial crisis. The interagency guidance recognizes three core principles for effective incentive compensation plans: (i) appropriately balancing risk and reward; (ii) compatibility with effective controls and risk management; and (iii) support by strong corporate governance, including active and effective oversight by the organization's board of directors. Although much of the guidance is directed at large banking organizations that are expected to maintain systematic and formalized policies and procedures, smaller banking organizations, like us, are expected to implement less extensive and less formalized systems pursuant to the guidance.

Supervision and Regulation of the Bank

General

The Bank is an Illinois-chartered, nonmember bank. The deposit accounts of the Bank are insured by the FDIC's Deposit Insurance Fund ("DIF") to the maximum extent provided under federal law and FDIC regulations, currently \$250,000 per insured depositor, per ownership category. Ongoing policy discussions at the federal level have focused on potential changes to deposit insurance coverage, including possible adjustments to coverage limits, although no changes have been enacted.

As an Illinois-chartered, FDIC-insured bank, the Bank is subject to the examination, supervision, reporting, and enforcement requirements of the IDFP, the chartering authority for Illinois banks. Because the Bank is not a member of the Federal Reserve System (*i.e.*, a nonmember bank), it is subject to the examination, supervision, reporting, and enforcement requirements of the FDIC, as the Bank's primary federal regulator.

Deposit Insurance Assessments

As an FDIC-insured institution, the Bank is required to pay deposit insurance premium assessments to the FDIC. The FDIC has adopted a risk-based assessment system, whereby FDIC-insured institutions pay insurance premiums at rates based on their risk classification. For institutions like the Bank that are not considered large and highly complex banking organizations, the risk-based assessment is based on examination ratings and financial ratios. The total base assessment rates, effective as of January 1, 2023, currently range from 2.5 basis points (for the lowest risk institutions) to 32 basis points or beyond (for higher risk institutions).

At least semi-annually, the FDIC updates its loss and income projections for the DIF and, if needed, increases or decreases the assessment rates, following notice and comment on proposed rulemaking. For this purpose, the reserve ratio is the DIF balance divided by estimated insured deposits. In response to the global financial

crisis, the Dodd-Frank Act increased the minimum reserve ratio from 1.15% to 1.35% of the estimated amount of total insured deposits. In its May 2025 report, the FDIC stated that the reserve ratio likely will reach the statutory minimum by the September 30, 2028 deadline, and no adjustments to the base assessment rates is currently projected.

In addition, because the total cost of the failures of Silicon Valley Bank and Signature Bank attributable to the systemic risk exception to the DIF was approximately \$16.7 billion, the FDIC adopted a special assessment applicable to banking organizations with assets of \$5 billion or more. The FDIC has been collecting the special assessment over eight quarters, at a quarterly rate of 3.36 basis points for the initial seven quarters of the collection period (ending on December 30, 2025) and at a quarterly rate of 2.97 basis points for the eighth and final collection period. The base for the special assessment is equal to an insured depository institution's estimated uninsured deposits for the December 31, 2022 reporting period, adjusted to exclude the first \$5 billion in estimated uninsured deposits. The Bank had less than \$5 billion of uninsured deposits as of December 31, 2022, and therefore does not have to pay the special assessment.

Supervisory Assessments

All Illinois-chartered banks are required to pay supervisory assessments to the IDFP to fund the operations of that agency. The amount of the assessment is calculated on the basis of the Bank's total assets. During the year ended December 31, 2025, the Bank paid supervisory assessments to the IDFP totaling \$0.3 million.

Capital Requirements

Banks are generally required to maintain capital levels in excess of other businesses. For a discussion of capital requirements applicable to the Bank, see "—The Role of Capital" above.

Liquidity Requirements

Liquidity is a measure of the ability and ease with which bank assets may be converted to meet financial obligations to pay deposits or other funding sources. Banks are required to implement liquidity risk management frameworks that ensure they maintain sufficient liquidity, including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events. The level and speed of deposit outflows contributing to the failures of Silicon Valley Bank, Signature Bank, and First Republic Bank in 2023 was unprecedented and contributed to acute liquidity and funding strain. These events have further underscored the importance of liquidity risk management and contingency funding planning by insured depository institutions like the Bank, as highlighted in a 2023 addendum to existing interagency guidance on funding and liquidity risk management.

The primary role of liquidity risk management is to: (i) prospectively assess the need for funds to meet obligations; and (ii) ensure the availability of cash or collateral to fulfill those needs at the appropriate time by coordinating the various sources of funds available to the institution under normal and stressed conditions. The Basel III Rule includes a liquidity framework that requires the largest insured institutions to measure their liquidity against specific liquidity tests. One test, referred to as the Liquidity Coverage Ratio, is designed to ensure that the banking organization has an adequate stock of unencumbered high quality liquid assets that can be converted easily and immediately in private markets into cash to meet liquidity needs for a 30-calendar day liquidity stress scenario. The other test, known as the Net Stable Funding Ratio, is designed to promote more intermediate- and long-term funding of the assets and activities of FDIC-insured institutions over a one-year horizon. These tests provide an incentive for banks and bank holding companies to increase their holdings in treasury securities and other sovereign debt as a component of assets, increase the use of long-term debt as a funding source and rely on stable funding like core deposits (in lieu of brokered deposits).

Although these tests do not apply to the Bank, we continue to review our liquidity risk management policies in light of regulatory requirements and industry developments.

Dividend Payments

Our primary source of funds is dividends from the Bank. Under Illinois banking law, Illinois-chartered banks generally may pay dividends only out of undivided profits. The IDFP may restrict the declaration or payment of a dividend by an Illinois-chartered bank, such as the Bank. Moreover, the payment of dividends by any FDIC-

insured institution is affected by the requirement to maintain adequate capital pursuant to applicable capital adequacy guidelines and regulations, and an FDIC-insured institution generally is prohibited from paying any dividends if, following payment thereof, the institution would be undercapitalized. As described above, the Bank exceeded its capital requirements under applicable guidelines as of December 31, 2025. Notwithstanding the availability of funds for dividends, however, the FDIC and the IDFPFR may prohibit the payment of dividends by the Bank if either agency determines that such payment would constitute an unsafe or unsound practice. In addition, under the Basel III Rule, banking organizations that want to pay unrestricted dividends must maintain 2.5% in CET1 attributable to the capital conservation buffer. See “—The Role of Capital” above.

State Bank Investments, Activities and Acquisitions

The Bank is permitted to make investments and engage in activities directly or through subsidiaries as authorized by Illinois law. However, under federal law and FDIC regulations, FDIC-insured state banks are prohibited, subject to certain exceptions, from making or retaining equity investments that are not permissible for a national bank. Federal law and FDIC regulations also prohibit FDIC-insured state banks and their subsidiaries from engaging as principal in any activity that is not permitted for a national bank, unless they meet, and continue to meet, minimum regulatory capital requirements, and the FDIC determines that the activity would not pose a significant risk to the DIF. These restrictions have not had, and are not currently expected to have, a material impact on the operations of the Bank.

The Bank may be required to obtain approval from the IDFPFR, the FDIC, and other applicable banking or financial services agencies before engaging in certain acquisitions or mergers under applicable state and federal law. With respect to interstate merger and acquisitions, federal law permits state banks to merge with out-of-state banks subject to: (i) regulatory approval; (ii) federal and state deposit concentration limits; and (iii) state law requirements that the merging bank has been in existence for a minimum period of time (not to exceed five years), prior to the merger. In 2025, the federal banking agencies, including the FDIC and the OCC, rescinded certain prior administrative actions regarding the review and approval of mergers and acquisitions, with the intent of streamlining and expediting the regulatory review of certain merger and acquisition applications.

Branching Authority

Illinois banks, such as the Bank, have the authority under Illinois law to establish branches anywhere in the State of Illinois, subject to receipt of all required regulatory approvals. The Dodd-Frank Act permits well capitalized and well managed banks to establish new interstate branches or acquire individual branches of a bank in another state (rather than the acquisition of an out-of-state bank in its entirety) without impediments.

Affiliate and Insider Transactions

The Bank is subject to certain restrictions imposed by federal law on “covered transactions” between the Bank and its “affiliates.” We are an affiliate of the Bank for purposes of these restrictions. Covered transactions subject to the restrictions include extensions of credit to us, investments in our stock or other securities, and the acceptance of our stock and other securities as collateral for loans made by the Bank. The Dodd-Frank Act enhanced these requirements by expanding the definition of “covered transactions” and extending the period for which collateral requirements for such transactions must be maintained.

Certain limitations and reporting requirements also apply to extensions of credit by the Bank to its directors and officers, to directors and officers of the Company and its subsidiaries, to principal shareholders of the Company, and to “related interests” of such directors, officers, and principal shareholders under state and/or federal law. In addition, federal law and regulations may govern the terms on which any person who is a director or officer of the Company or the Bank, or a principal shareholder of the Company, may obtain credit from banks with which the Bank maintains a correspondent relationship.

Safety and Soundness Standards/Risk Management

The federal banking agencies have adopted operational and managerial standards to promote the safety and soundness of FDIC-insured institutions. The standards apply to internal controls, information systems, internal

audit systems, loan documentation, credit underwriting, interest rate exposure, asset growth, compensation, fees and benefits, asset quality, and earnings.

These safety and soundness standards generally prescribe the goals to be achieved in each area, and each institution is responsible for establishing its own procedures to achieve those goals. Although regulatory standards do not have the force of law, if an FDIC-insured institution operates in an unsafe and unsound manner, its primary federal regulator may require submission of a plan to achieve and maintain compliance. Failure to submit an acceptable compliance plan, or to implement an approved plan in any material respect, may result in a formal agency order directing the institution to cure the deficiency. Until such deficiency is resolved, the agency may restrict the institution's rate of growth, require additional capital, limit deposit rates, or take other corrective action as deemed. Noncompliance with safety and soundness also may constitute grounds for enforcement action by the federal banking agencies, including cease and desist orders and civil money penalty assessments.

Federal banking agencies have increasingly emphasized the importance of sound risk management processes and strong internal controls when evaluating the activities of FDIC-insured institutions. In 2025, however, the agencies signaled a shift toward focusing on the identification and management of material financial risks, rather than primarily on adherence to prescriptive operational and risk management processes. Although effective risk management, internal controls, and board and management oversight remain important, supervisory attention may increasingly center on whether specific practices pose material harm to the institution's financial condition or create a risk of loss to the DIF. Despite this potential shift in focus, the agencies continue to evaluate a broad spectrum of risks, including credit, market, liquidity, operational, and legal risks—emphasizing their potential impact on safety and soundness. Notably, the federal banking agencies have indicated that they intend to remove reputation risk from consideration, citing concerns about its use in restricting banking services to certain industries or groups.

The Bank is expected to have active board and senior management oversight; adequate policies, procedures, and limits; adequate risk measurement, monitoring, and management information systems; and comprehensive internal controls. The federal banking agencies also have issued guidance on certain risk-management topics, including third-party relationships, in response to the proliferation of relationships between banking organizations and financial technology companies (although the guidance applies more broadly).

Privacy and Cybersecurity

The Bank is subject to numerous U.S. federal and state laws and regulations aimed at protecting the non-public personal and confidential information of its customers. These laws require the Bank to periodically disclose its privacy policies and practices regarding the sharing of such information, and, in certain circumstances, permit consumers to opt out of the sharing of information with unaffiliated third parties. They also limit the Bank's ability to share certain information with affiliates and non-affiliates for marketing and/or non-marketing purposes, or to contact customers with marketing offers. In addition, the Bank is required to implement a comprehensive information security program that includes administrative, technical, and physical safeguards to ensure the security and confidentiality of customer records and information. These security and privacy policies and procedures are applied consistently across all businesses and geographic locations.

Risks and exposures related to cybersecurity require financial institutions to design multiple layers of security controls to establish lines of defense and to ensure that their risk management processes also address the risk posed by compromised customer credentials, including security measures to reliably authenticate customers accessing internet-based services of the financial institution. Bank management is expected to maintain sufficient business continuity planning processes to ensure the rapid recovery, resumption, and maintenance of the institution's operations after a cyberattack involving destructive malware. The Bank and the Company also are subject to federal and state laws and regulations requiring notifications and disclosures regarding certain cybersecurity incidents.

Community Reinvestment Act Requirements

The CRA imposes on the Bank a continuing and affirmative obligation, consistent with safe and sound operations, to help meet the credit needs of the entire community, including low- and moderate-income neighborhoods. The FDIC regularly assesses the Bank's record of meeting these credit needs in dedicated CRA examinations. The Bank's CRA rating derived from these examinations can have significant impacts on the activities in which the Bank and Company may engage. For example, a low CRA rating may impact the review of applications by the Bank or the Company's financial holding company status.

In October 2023, the federal banking agencies issued a final rule intended to strengthen and modernize the CRA regulations (the "CRA Rule"). The CRA Rule subsequently was challenged in court, which prevented it from taking effect. In 2025, the federal banking agencies issued a proposed rule to rescind the CRA Rule and reinstate the prior CRA regulatory framework adopted in 1995. Additionally, the FDIC has determined to lengthen the period between CRA examinations for certain banks with less than \$3 billion in assets; however, this change is not expected to impact the Bank, which has more than \$3 billion in total assets.

In 2022, the Bank, as an Illinois-chartered bank, became subject to state level CRA standards, following passage of the Illinois CRA. As a result, in addition to federal CRA examinations, the IDFPR also assesses the Bank's record of meeting the credit needs of its communities. Similar to the potential impact under the federal CRA regime, the Bank's CRA performance may affect applications for additional acquisitions or activities.

Anti-Money Laundering/Sanctions

The Bank Secrecy Act ("BSA") is a U.S. federal statutory framework, as amended and supplemented by subsequent laws and implemented through regulations, that is designed to combat money laundering, the financing of terrorism, and other illicit financial activities. The BSA and related anti-money laundering and countering the financing of terrorism ("AML/CFT") laws and regulations are intended to prevent terrorists and criminals from accessing the U.S. financial system and have significant implications for FDIC-insured institutions and other businesses involved in the transmission of funds. Together, this regulatory framework provides a foundation to promote financial transparency and deter and detect those who seek to misuse the U.S. financial system to launder criminal proceeds, finance terrorist acts, or facilitate other illicit conduct.

The BSA and related regulations require financial institutions to establish and maintain policies and procedures addressing: (i) customer identification and due diligence; (ii) the prevention and detection of money laundering and terrorist financing; (iii) the identification and reporting of suspicious activities and currency transactions; (iv) compliance with laws relating to currency crimes; and (v) cooperation with law enforcement authorities. The Bank also must comply with stringent economic and trade sanctions regimes administered and enforced by the Office of Foreign Assets Control.

Although core AML/CFT statutory requirements and expectations remain unchanged, federal banking agencies and the Financial Crimes Enforcement Network recently have pursued or considered efforts to modernize and streamline BSA/AML compliance through a more risk-based approach, including targeted regulatory relief, revised examination expectations, and efforts to reduce certain reporting and compliance burden, particularly for lower-risk and community banking organizations.

Federal Home Loan Bank Membership

The Bank is a member of the Federal Home Loan Bank ("FHLB") System, an organization created under the Federal Home Loan Bank Act of 1932 to serve as a central credit facility for its members through eleven U.S. government-sponsored banks, including the FHLB of Chicago. The FHLB of Chicago makes loans to member banks in the form of advances, all of which are required to be fully collateralized, as determined by the FHLB of Chicago. If a member financial institution fails, the right of the FHLB of Chicago to seek repayment of funds loaned to that institution will take priority (a super lien) over the rights of all other creditors. To qualify for membership in the FHLB System, and to be eligible to borrow funds from such Federal Home Loan Bank under the FHLB System's advance program, the Bank is required to hold a certain amount of common stock in one of the Federal Home Loan Banks. There is no secondary market for the FHLB of Chicago's common stock, but additional purchases from, or repurchases by, the FHLB of Chicago may occur under prescribed circumstances. Specifically, the board of directors of the FHLB of Chicago can increase the minimum investment requirements

if it has concluded that additional capital is required to allow it to meet its own regulatory capital requirements. Any increase in the minimum investment requirements outside of specified ranges requires the approval of the Federal Housing Finance Agency. Because the extent of any obligation to increase the level of investment in the FHLB of Chicago depends entirely upon the occurrence of future events, we are unable to determine the extent of future required potential payments to the FHLB of Chicago at this time.

Residential Mortgage Lending

As required by the Dodd-Frank Act, the Consumer Financial Protection Bureau ("CFPB") issued a series of final rules in January 2013 amending Regulation Z, implementing the Truth in Lending Act, that requires mortgage lenders to make a reasonable and good faith determination, based on verified and documented information, that a consumer applying for a residential mortgage loan has a reasonable ability to repay the loan according to its terms. These final rules prohibit creditors from extending residential mortgage loans without regard for the consumer's ability to repay and add restrictions and requirements to residential mortgage origination and servicing practices. In addition, these rules restrict the imposition of prepayment penalties and compensation practices relating to residential mortgage loan origination. Mortgage lenders are required to determine consumers' ability-to-repay in one of two ways. The first method requires the mortgage lender to consider eight underwriting factors when making the credit decision. Alternatively, the mortgage lender can originate "qualified mortgages," which are entitled to a presumption that the creditor making the loan satisfied the ability-to-repay requirements. In general, a qualified mortgage is a residential mortgage loan that does not have certain high-risk features, such as negative amortization, interest-only payments, balloon payments, or a term exceeding 30 years. In addition, to be a qualified mortgage, the points and fees paid by a consumer cannot exceed applicable thresholds. Rather than being subject to a strict 43% debt-to-income cap as under the original rule, many loans now qualify as qualified mortgages based on a pricing-based standard tied to the loan's annual percentage rate relative to the Average Prime Offer Rate.

Concentrations in Commercial Real Estate

Concentration risk exists when FDIC-insured institutions allocate a disproportionate amount of assets to any one industry or economic segment. Concentration in CRE lending is one area of regulatory focus, which has been subject to additional scrutiny by federal banking agencies as well as the SEC (for publicly-traded banking organizations) in recent years. The Interagency Concentrations in CRE Lending, Sound Risk Management Practices guidance ("CRE Guidance") provides supervisory criteria, including the following numerical indicators, to assist bank examiners in identifying banks with potentially significant CRE loan concentrations that may warrant greater supervisory scrutiny. These indicators include: (i) total CRE loans exceeding 300% of capital and increasing 50% or more in the preceding three years, or (ii) construction and land development loans exceeding 100% of capital.

The CRE Guidance does not establish a binding limit on CRE lending activities, but rather is intended to inform supervisory assessment of whether an institution's risk profile, earnings capacity, and capital levels are commensurate with its CRE exposure. In recent years, the federal banking agencies issued statements to reinforce prudent risk-management practices related to CRE lending, in response to observed growth in CRE markets, increased competitive pressures, rising CRE concentrations in banks, and an easing of CRE underwriting standards. In other statements, the federal banking agencies have reminded FDIC-insured institutions to maintain underwriting discipline and to identify, measure, monitor, and manage the risks arising from CRE lending, including by holding capital commensurate with those risks. As of December 31, 2025, the Bank did not exceed these guidelines.

Consumer Financial Services

The CFPB has broad rulemaking authority for a wide range of consumer protection laws that apply to all providers of consumer products and services, including the Bank, as well as the authority to prohibit "unfair, deceptive or abusive" acts and practices. The CFPB has examination and enforcement authority over providers with more than \$10 billion in assets. FDIC-insured institutions with \$10 billion or less in assets, like the Bank, continue to be examined by their applicable primary federal regulators.

Over the last several years, the CFPB had taken an aggressive approach towards the regulation (and supervision, where applicable) of providers of consumer financial products and services. More recently, however, changes in leadership and policy direction at the CFPB have led to: (i) shifts in regulatory priorities, including the rescission or reconsideration of certain CFPB guidance and rules; (ii) a reduction in CFPB enforcement activity; and (iii) constraints on the CFPB's budget and resources, although the CFPB continues to retain broad statutory authority to administer, supervise, and enforce federal consumer financial protection laws. State banking and other financial services regulatory agencies retain authority to administer and enforce state consumer financial protection laws and could increase supervisory or enforcement activity in response to changes in federal regulatory priorities.

The CFPB's rules have not had a significant impact on the Bank's operations, except for higher compliance costs. The Bank also must comply with certain state consumer protection laws and requirements in the states in which it operates.

ITEM 1A. RISK FACTORS

The material risks and uncertainties that management believes affect us are described below. You should carefully consider these risks, together with all of the information included herein. Any of the following risks, as well as risks that we do not know or currently deem immaterial, could have a material adverse effect on our business, financial condition or results of operations.

SUMMARY

Risk Factor	Description
• Credit Risks	Borrowers or counterparties may be unable or unwilling to repay their obligations to us in accordance with the underlying contractual terms which could lead to unexpected losses.
• Interest Rate Risks	Fluctuations in interest rates may reduce our earnings or the value of our financial instruments.
• Liquidity Risks	An inability to obtain liquid funds at a reasonable price to timely meet our financial obligations may have a material adverse impact on our operations and jeopardize our business.
• Technology and Cybersecurity Risks	Our business is highly dependent upon secure and uninterrupted information technology systems. A disruption or breach to these systems may have a material adverse impact on our business.
• Legal and Regulatory Compliance Risks	The banking industry is highly regulated. Failure to comply with regulatory capital requirements, changes in the United States' monetary policy, legislative and regulatory actions taken now or in the future regarding the financial services industry, financial reform legislation and increased regulatory rigor around consumer protection mortgage-related issues, or federal, state and local consumer lending laws may adversely impact us.
• Business Strategy	Our strategy of pursuing growth via suitable acquisitions exposes us to heightened operational risks and could have a material adverse impact on our financial condition, results of operations, and growth prospects.
• Ownership of Our Common Stock	Our principal stockholder, Heartland Bancorp, Inc. Voting Trust U/A/D 5/4/2016, has significant influence over us, and its interests could conflict with those of our other stockholders.
• External Risks	Adverse changes in the economic conditions, particularly such changes in the Illinois and Iowa markets in which we operate, may adversely impact our borrowers and our business.

CREDIT RISKS

We may not be able to adequately measure and limit our credit risk, which could lead to unexpected losses.

Our business depends on our ability to successfully measure and manage credit risk. As a lender, we are exposed to the risk that the principal of, or interest on, a loan will not be repaid timely or at all or that the value of any collateral supporting a loan will be insufficient to cover our outstanding exposure. In addition, we are exposed to risks with respect to the period of time over which the loan may be repaid, risks relating to proper loan underwriting, risks resulting from changes in economic and industry conditions, and risks inherent in dealing with individual loans and borrowers. The creditworthiness of a borrower is affected by many factors including local market conditions and general economic conditions. If the overall economic climate in the U.S. generally, or our market areas specifically, experience a material disruption, our borrowers may experience difficulties in repaying their loans, the collateral we hold may decrease in value or become illiquid, and the level of nonperforming loans, charge-offs and delinquencies could rise and require significant additional provisions for credit losses.

Our risk management practices, such as monitoring the concentration of our loans within specific industries and our credit approval, review and administrative practices may not adequately reduce credit risk, and our credit administration personnel, policies and procedures may not adequately adapt to changes in economic or any other conditions affecting customers and the quality of the loan portfolio. Moreover, default risk may arise from events or circumstances that are difficult to detect, such as fraud, or difficult to predict, such as the impact of catastrophic events on certain industries. A failure to effectively measure and limit the credit risk associated with our loan portfolio may result in loan defaults, foreclosures and additional charge-offs, and may necessitate that we significantly increase our allowance for credit losses, each of which could adversely affect our net income. As a result, our inability to successfully manage credit risk could have an adverse effect on our business, financial condition and results of operations.

The small to mid-sized businesses to which we lend may have fewer resources to weather adverse business developments, which may impair a borrower's ability to repay a loan, and such impairment could adversely affect our results of operations and financial condition.

We target our business development and marketing strategy primarily to serve the banking and financial services needs of small to mid-sized businesses. These businesses generally have fewer financial resources in terms of capital or borrowing capacity than larger entities, may have less access to capital sources and loan facilities, frequently have smaller market shares than their competition, may be more vulnerable to economic downturns, 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. In addition, the success of a small or mid-sized business often depends on the management talents and efforts of one person or a small group of people, and the death, disability or resignation of one or more of these people could have a material adverse impact on the business and its ability to repay its loan. If general economic conditions negatively impact the markets in which we operate or any of our borrowers otherwise are affected by adverse business developments, our small to mid-sized borrowers may be disproportionately affected and their ability to repay outstanding loans may be negatively affected, resulting in an adverse effect on our results of operations and financial condition.

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

In deciding whether to extend credit or enter into other transactions, and in evaluating and monitoring our loan portfolio on an ongoing basis, we may rely on information furnished by or on behalf of customers and counterparties, including financial statements, credit reports and other financial information. We may also rely on representations of those customers or counterparties or of other third parties, such as independent auditors, as to the accuracy and completeness of that information. Reliance on inaccurate, incomplete, fraudulent or misleading financial statements, credit reports or other financial or business information, or the failure to receive such information on a timely basis, could result in credit losses, reputational damage or other effects that could have a material adverse effect on our business, financial condition or results of operations.

The appraisals and other valuation techniques we use in evaluating and monitoring loans secured by real property, foreclosed real estate and other repossessed assets may not accurately describe the fair value of the asset.

In considering whether to make a loan secured by real property, we generally require an appraisal of the property. However, an appraisal is only an estimate of the value of the property at the time the appraisal is made, and real estate values may change significantly in relatively short periods of time (especially in periods of heightened economic uncertainty). Therefore, this estimate may not accurately describe the fair value of the real property collateral after the loan is made. As a result, we may not be able to realize the full amount of any remaining indebtedness when we foreclose on and sell the relevant property.

We also rely on appraisals and other valuation techniques to establish the value of real estate and personal property that we acquire through foreclosure proceedings and to determine certain loan impairments. If any of these valuations are inaccurate, our consolidated financial statements may not reflect the correct value of our foreclosed assets, and our allowance for credit losses may not be accurate. This could have a material adverse effect on our business, financial condition or results of operations.

We are subject to environmental liability risk associated with lending activities.

A significant portion of our loan portfolio is, and is expected to be, secured by real property and during the ordinary course of business, we may foreclose on and take title to properties securing certain loans. In addition, we own the vast majority of our branch properties. If hazardous or toxic substances are found on our foreclosed or branch properties, we may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws may require us to incur substantial expenses and may materially reduce the affected property's value or limit our ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on our financial condition and results of operations.

The majority of our loan portfolio consists of commercial and commercial real estate loans, which may have a higher degree of risk than some other types of loans.

Commercial and commercial real estate loans, including multi-family loans, are often larger and may involve greater risks than some other types of lending. Because payments on such loans are often dependent on the successful operation or development of the property or business involved, repayment of such loans is often more sensitive than other types of loans to adverse conditions in the real estate market or the general business climate and economy. Accordingly, a downturn in the real estate market or a challenging business and economic environment, including those which disproportionately affect a class of borrower, may increase our risk associated with our loan portfolio. Unlike residential mortgage loans, which generally are made on the basis of the borrowers' ability to make repayment from their employment and other income and which are secured by real property whose value tends to be more easily ascertainable, commercial loans typically are made on the basis of the borrowers' ability to make repayment from the cash flow of the commercial venture. Economic events, including decreases in office occupancy following the shift to remote and hybrid work environments, or governmental regulations outside of our control or the control of the borrower could negatively impact the future cash flow and market values of the affected properties. Our commercial operating loans are primarily made based on the identified cash flow of the borrower and secondarily on the collateral underlying the loans. Most often, this collateral consists of accounts receivable, inventory and equipment. Inventory and equipment may depreciate over time, may be difficult to appraise and may fluctuate in value based on the success of the business. If the cash flow from business operations is reduced, the borrower's ability to repay the loan may be impaired. Due to the larger average size of each commercial loan as compared with other loans such as residential loans, as well as collateral that is generally less readily-marketable, losses incurred on a small number of commercial or commercial real estate loans could have a material adverse impact on our financial condition and results of operations.

Real estate construction loans are based upon estimates of costs and values associated with the complete project. These estimates may be inaccurate, and we may be exposed to significant losses on loans for these projects.

Real estate construction lending involves additional risks because funds are advanced upon the security of the project, which is of uncertain value prior to its completion, and costs may exceed realizable values. Because of the uncertainties inherent in estimating construction costs and the realizable market value of the completed project and the effects of governmental regulation of real property, it is relatively difficult to evaluate accurately the total funds required to complete a project and the related loan-to-value ratio. As a result, construction loans often involve the disbursement of substantial funds with repayment dependent, in part, on the success of the ultimate project and the ability of the borrower to sell or lease the property, rather than the ability of the borrower or guarantor to repay principal and interest. If our appraisal of the value of the completed project proves to be overstated or market values or rental rates decline, we may have inadequate security for the repayment of the loan upon completion of construction of the project. If we are forced to foreclose on a project prior to or at completion due to a default, we may not be able to recover all of the unpaid balance of, and accrued interest on, the loan as well as related foreclosure and holding costs. In addition, we may be required to fund additional amounts to complete the project and may have to hold the property for an unspecified period of time while we attempt to dispose of it.

We provide loans and services to the agriculture industry and the health of this industry is impacted by factors outside our control and the control of our customers.

Our loan portfolio includes loans to agricultural producers and loans secured by farmland. In addition, our commercial loan portfolio includes loans to farm implement dealerships, grain elevators and other businesses that provide products and services to agricultural producers. The success of our agricultural loans, and commercial loans serving the agriculture industry, may be adversely affected by many factors outside the control of the borrower, including:

- adverse weather conditions, adverse impacts of climate change, restrictions on water supply or other conditions that prevent the planting of a crop or limit crop yields, or that affect crop harvesting;
- loss of crops or livestock due to disease or other factors;
- declines in the market prices or demand for agricultural products (both domestically and internationally), for any reason;
- increases in production costs (such as the costs of labor, rent, feed, fuel and fertilizer);
- adverse changes in interest rates, currency exchange rates, agricultural land values or other factors that may affect delinquency levels and credit losses on agricultural loans;
- the impact of government policies and regulations (including changes in price supports, tariffs, trade policy, subsidies, government-sponsored crop insurance, minimum ethanol content requirements for gasoline, trade barriers and health and environmental regulations);
- access to technology and the successful implementation of production technologies; and
- changes in the general economy that could affect the availability of off-farm sources of income and prices of real estate for borrowers.

Although we attempt to account for the possibility of such factors in underwriting, structuring and monitoring our agriculture loans, there is no guarantee that our efforts will be successful. As a result, we may experience increased delinquencies or defaults in this portfolio or be required to increase our provision for credit losses, which could have an adverse effect on our business, financial condition and results of operations.

Additionally, we provide farm management advice, engage in farmland sale services, and arrange for crop insurance as part of our wealth management services. Decreases in commodity prices or lower crop yields may result in a decrease in wealth management fees collected for our agricultural services.

INTEREST RATE RISKS

Fluctuations in interest rates may reduce net interest income and otherwise negatively impact our financial condition and results of operations.

The majority of our banking assets are monetary in nature and are subject to risk from changes in interest rates. Like most financial institutions, our earnings and cash flows depend to a great extent upon the level of our net interest income. Changes in interest rates can increase or decrease our net interest income because different types of assets and liabilities may react differently, and at different times, to market interest rate changes. When interest-bearing liabilities mature or reprice more quickly, or to a greater degree than interest-earning assets in a period, an increase in interest rates could reduce net interest income. Similarly, when interest-earning assets mature or reprice more quickly, or to a greater degree than interest-bearing liabilities, falling interest rates could reduce net interest income.

Additionally, elevated interest rates or an increase in interest rates may, among other things, reduce the demand for loans, increase the cost of deposit and wholesale funding, reduce our ability to originate loans and decrease prepayments on our loan and securities portfolio. Conversely, a decrease in the general level of interest rates may, among other things, decrease our net interest margin and increase prepayments on our loan and securities portfolios. Although our asset-liability management strategy is designed to control and mitigate exposure to the risks related to changes in market interest rates, those rates are affected by many factors outside of our control, including governmental monetary policies, inflation, deflation, recession, changes in unemployment, the money supply, international disorder and instability in domestic and foreign financial markets.

We may seek to mitigate our interest rate risk by entering into interest rate swaps and other interest rate derivative contracts from time to time with counterparties. Our hedging strategies rely on assumptions and projections regarding interest rates, asset levels and general market factors and subject us to counterparty risk. There is no assurance that our interest rate mitigation strategies will be successful and if our assumptions and projections prove to be incorrect or our hedging strategies do not adequately mitigate the impact of changes in interest rates, we may incur losses that could adversely affect our earnings.

The value of the financial instruments we own may decline in the future.

An increase in market interest rates may affect the fair value of our securities portfolio, potentially reducing accumulated other comprehensive income or earnings. The fair value of these investments may also be affected by factors other than the underlying performance of the issuer of the securities or the mortgages underlying the securities, such as negative trends in the residential and commercial real estate markets, ratings downgrades, adverse changes in the business climate and a lack of liquidity for certain investment securities. In addition, we may sell debt securities, and any such sale could cause us to realize currently unrealized losses that resulted from increases in the prevailing interest rates.

Additionally, an increase in market interest rates may reduce the value of our loan portfolio, although, in accordance with GAAP, such a decline in value may not be reflected in the carrying balance of our loans in the same manner as our debt securities available-for-sale.

Monetary policies and regulations of the Federal Reserve could adversely affect our business, financial condition and results of operations.

The monetary policies and regulations of the Federal Reserve have a significant effect on the operating results of commercial banks. The effects of such policies upon our business, financial condition and results of operations cannot be predicted.

An important function of the Federal Reserve is to regulate the money supply and credit conditions. Among the instruments used by the Federal Reserve to implement these objectives are open market purchases and sales of U.S. government securities, adjustments to the federal funds target rate, and changes in banks' reserve requirements against bank deposits. These instruments are used in varying combinations to influence overall economic growth and the distribution of credit, bank loans, investments and deposits. Their use also affects interest rates charged on loans or paid on deposits.

Beginning in March 2022, the Federal Open Market Committee of the Federal Reserve (the "FOMC") made a series of significant increases to the federal funds target range as part of an effort to combat elevated levels of inflation affecting the U.S. economy. While the significant increase in prevailing interest rates increased our net interest income, it also led to increased losses in our debt securities portfolio. Since 2022, the magnitude of these losses on debt securities have partially reversed with net unrealized losses on debt securities available-for-sale of \$28.8 million and net unrecognized losses on debt securities held-to-maturity of \$31.9 million as of December 31, 2025.

It is possible that the FOMC will continue to decrease interest rates. In September 2024, the FOMC began lowering interest rates with the target range for the federal funds rate decreasing by 100 basis points to a range of 4.25% to 4.50% by the end of 2024. During the second half of 2025, the FOMC further reduced the target range for the federal funds rate by 75 basis points to a range of 3.50% to 3.75% as of December 31, 2025. During both 2024 and 2025, decreases in the federal funds target range were expressly made in response to inflation moderating and the labor market weakening.

Any future change in monetary policy by the FOMC, in an effort to stimulate the economy or otherwise, resulting in lower interest rates would likely result in lower revenue through lower net interest income over time, which could adversely affect our results of operations. These effects from interest rate changes, a perceived lack of independence by the FOMC from political pressure to set monetary policy, or from other sustained economic stress or a recession, among other matters, could have a material adverse effect on our business, financial condition, liquidity, and results of operations.

Given the complex factors affecting the strength of the U.S. economy, including uncertainties regarding the persistence of inflation; sustained elevated levels of U.S. credit card debt; the implementation of policies proposed by the current presidential administration; and geopolitical developments, such as future terrorist attacks and threats, widespread disease or pandemics, and acts of war including the Russian invasion of Ukraine, conflicts in the Middle East and recent military activity in Venezuela, there is a meaningful risk that the Federal Reserve and other central banks may maintain interest rates at elevated levels, which may negatively impact the entire national economy. This could decrease loan demand, harm the credit characteristics of our existing loan portfolio and decrease the value of collateral securing loans in the portfolio.

LIQUIDITY RISKS

Liquidity risks could affect operations and jeopardize our business, financial condition and results of operations.

Liquidity is essential to our business. An inability to raise funds through deposits, borrowings, the sale of loans and/or investment securities and from other sources could have a substantial negative effect on our liquidity. Our most important source of funds consists of our customer deposits. Such deposit balances can decrease when customers perceive alternative investments, such as the stock market, as providing a better risk/return trade-off. If customers move money out of bank deposits and into other investments, we could lose a relatively low-cost source of funds, which could require us to seek wholesale funding alternatives in order to continue to grow, thereby increasing our funding costs and reducing our net interest income and net income.

In addition to our deposit base, our liquidity is provided by cash from operations and investment maturities, redemptions and sales as well as cash flow from loan prepayments and maturing loans that are not renewed. When needed, additional liquidity may be available by borrowing from the Federal Reserve Bank of Chicago or the Federal Home Loan Bank of Chicago (the "FHLB"), through federal funds lines with our correspondent banks, and through other wholesale funding sources including brokered deposits. Our access to funding sources in amounts adequate to finance or capitalize our activities or on terms that are acceptable to us could be impaired by factors that affect us directly or the financial services industry or economy in general, such as disruptions in the financial markets or negative views and expectations about the prospects for the financial services industry. In addition, increased competition with other banks and fintechs for retail deposits may impact our ability to raise funds through deposits and could have a negative effect on our liquidity.

Any decline in available funding could adversely impact our ability to continue to implement our business plan, including originating loans, investing in securities, meeting our expenses or fulfilling obligations such as

repaying our borrowings and meeting deposit withdrawal demands, any of which could have a material adverse impact on our liquidity, business, financial condition and results of operations.

We may need to raise additional capital in the future, and such capital may not be available when needed or at all.

We may need to raise additional capital, in the form of debt or equity securities, in the future to have sufficient capital resources to meet our commitments and our regulatory requirements, and to fund our business needs and future growth, particularly if the quality of our assets or earnings were to deteriorate significantly. Our ability to raise additional capital, if needed, will depend on, among other things, conditions in the capital markets at that time, which are outside of our control, and our financial condition. We may not be able to obtain capital on acceptable terms or at all. Any occurrence that may limit our access to capital, such as a decline in the confidence of debt purchasers, depositors of the Bank or counterparties participating in the capital markets or other disruption in capital markets, may adversely affect our capital costs and our ability to raise capital and, in turn, our liquidity. Further, if we need to raise capital in the future, we may have to do so when many other financial institutions are also seeking to raise capital and would then have to compete with those institutions for investors. In particular, if we were required to raise additional capital in the current interest rate environment, we believe the pricing and other terms investors may require in such an offering may not be attractive to us. An inability to raise additional capital on acceptable terms when needed could have a material adverse effect on our business, financial condition or results of operations.

We may be adversely affected by changes in the actual or perceived soundness or condition of other financial institutions.

Financial institutions are interconnected as a result of trading, investment, liquidity management, clearing, counterparty and other relationships. Concerns about, or a failure of, one institution could lead to significant liquidity problems and losses or defaults by other institutions, as the commercial and financial soundness of many financial institutions is closely related as a result of these credit, trading, clearing and other relationships. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by various institutions. This systemic risk may adversely affect financial intermediaries with which we interact on a daily basis or key funding providers such as the FHLB, any of which could have a material adverse effect on our access to liquidity or otherwise have a material adverse effect on our business, financial condition or results of operations.

Loss of customer deposits could increase our funding costs.

We rely on deposits as a low cost and stable source of funding. We compete with banks and other financial services companies for deposits. If our competitors raise the rates they pay on deposits, our funding costs may increase, either because we raise our rates to avoid losing deposits or because we lose deposits and must rely on more expensive sources of funding. Higher funding costs could reduce our net interest margin and net interest income and could have a material adverse effect on our business, financial condition, and results of operations.

TECHNOLOGY AND CYBERSECURITY RISKS

The occurrence of fraudulent activity, breaches or failures of our information security controls or cybersecurity-related incidents could have a material adverse effect on our business, financial condition or results of operations.

As a financial institution, we are susceptible to fraudulent activity, information security breaches and cybersecurity-related incidents that may be committed against us or our customers, which may result in financial losses or increased costs to us or our clients, disclosure or misuse of our information or our client information, misappropriation of assets, privacy breaches against our customers, litigation or damage to our reputation. Such fraudulent activity may take many forms, including check fraud, electronic fraud, wire fraud, phishing, social engineering and other dishonest acts. Information security breaches and cybersecurity-related incidents may include fraudulent or unauthorized access to systems used by us or our customers, denial or degradation of service attacks, and malware or other cyber-attacks. There continues to be a rise in electronic fraudulent activity, security breaches and cyber-attacks within the financial services industry, including as a result of

increasingly sophisticated methods of conducting cyber-attacks, including those employing artificial intelligence. Moreover, several large corporations, including financial institutions and retail companies, have suffered major data breaches, in some cases exposing not only confidential and proprietary corporate information, but also sensitive financial and other personal information of their customers and employees and subjecting them to potential fraudulent activity. Some of our customers may have been affected by these breaches, which could increase their risks of identity theft and other fraudulent activity that could involve their accounts with us.

We also face risks related to cyber-attacks and other security breaches in connection with debit card and credit card transactions that typically involve the transmission of sensitive information regarding our customers through various third parties, including retailers and payment processors. Some of these parties have in the past been the target of security breaches and cyber-attacks, and because the transactions involve third parties and environments such as the point of sale that we do not control or secure, future security breaches or cyber-attacks affecting any of these third parties could affect us through no fault of our own. In some cases, we may have exposure and suffer losses for breaches or attacks relating to them, including costs to replace compromised debit and credit cards and to address fraudulent transactions.

We depend on information technology and telecommunications systems of third parties, and any systems failures, interruptions or data breaches involving these systems could adversely affect our operations and financial condition.

Our business is highly dependent on the secure and uninterrupted functioning of our information technology and telecommunications systems, third-party servicers, accounting systems, digital banking platforms and financial intermediaries. We outsource to third parties many of our major systems, such as digital banking and card processing systems. The failure of these systems, or the termination of a third-party software license or service agreement on which any of these systems is based, could interrupt our operations. Because our information technology and telecommunications systems interface with and depend on third-party systems, we could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. If sustained or repeated, a system failure or service denial could result in a deterioration of our ability to process loans or gather deposits and provide customer service, compromise our ability to operate effectively, result in potential noncompliance with applicable laws or regulations, damage our reputation, result in a loss of customer business and/or subject us to additional regulatory scrutiny and possible financial liability, any of which could have a material adverse effect on our financial condition and results of operations. In addition, failure of third parties to comply with applicable laws and regulations, or fraud or misconduct on the part of employees of any of these third parties, could disrupt our operations or adversely affect our reputation.

It may also be difficult for us to replace some of our third-party vendors, particularly vendors providing our core banking and card processing services, in a timely manner if they are unwilling or unable to provide us with these services in the future for any reason and even if we are able to replace them, it may be at higher cost or result in the loss of customers. Any such events could have a material adverse effect on our business, financial condition or results of operations.

Our operations rely heavily on the secure processing, storage and transmission of information and the monitoring of a large number of transactions on a minute-by-minute basis, and even a short interruption in service could have significant consequences. We also interact with and rely on retailers, for whom we process transactions, as well as financial counterparties and regulators. Each of these third parties may be targets of the same types of fraudulent activity, computer break-ins and other cybersecurity breaches described above or herein, including as a result of increasingly sophisticated methods of conducting cyber-attacks, including those employing artificial intelligence, and the cybersecurity measures that they maintain to mitigate the risk of such activity may be different than our own and may be inadequate.

As a result of financial entities and technology systems becoming more interdependent and complex, a cyber-incident, information breach or loss, or technology failure that compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including ourselves. Although we review business continuity and backup plans for our vendors and take other safeguards to support our operations, such plans or safeguards may be inadequate. As a result of the foregoing, our ability to conduct business may be adversely affected by any significant disruptions to us or to third parties with whom we interact.

Our use of third-party vendors and our other ongoing third-party business relationships is subject to increasing regulatory requirements and attention.

Our use of third-party vendors for certain information systems is subject to increasingly demanding regulatory requirements and attention by our bank regulators. Regulatory guidance requires us to enhance our due diligence, ongoing monitoring and control over our third-party vendors and other ongoing third-party business relationships. In certain cases we may be required to renegotiate our agreements with these vendors to meet these enhanced requirements, which could increase our costs. If our regulators conclude that we have not exercised adequate oversight and control over our third-party business relationships or that such third parties have not performed appropriately, we could be subject to enforcement actions, including civil money penalties or other administrative or judicial penalties or fines as well as requirements for customer remediation, any of which could have a material adverse effect our business, financial condition or results of operations.

We continually encounter technological change and may have fewer resources than many of our larger competitors to continue to invest in technological improvements.

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 institutions to better serve customers and to reduce costs. Our future success will depend, in part, upon our ability to address the needs of our customers by using technology to provide products and services that will satisfy customer demands for convenience, as well as to create additional efficiencies in our operations. Many of our competitors have substantially greater resources to invest in technological improvements. We also may not be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to our customers.

The widespread adoption of new technologies, including digital assets and payment systems, could require us in the future to make substantial expenditures to modify or adapt our existing products and services as we grow and develop new products to satisfy our customers' expectations and comply with regulatory guidance.

In addition, emerging trends, such as generative artificial intelligence, have the potential to disrupt the banking industry. Although generative artificial intelligence offers opportunities to enhance operational efficiency, it also introduces risks, including fraud, security vulnerabilities, and compliance challenges. The implementation of technological changes and upgrades to maintain current systems and integrate new ones may cause service interruptions, transaction processing errors and system conversion delays and may cause us to fail to comply with applicable laws. Because the pace of technological change is high and our industry is intensely competitive, we may not be able to sustain our investment in new technology as critical systems and applications become obsolete or as better ones become available. A failure to maintain current technology and business processes could cause disruptions in our operations or cause our products and services to be less competitive, all of which could have a material adverse effect on our business, financial condition or results of operations.

LEGAL AND REGULATORY COMPLIANCE RISKS

The banking industry is highly regulated, and the regulatory framework, together with any future legislative or regulatory changes, may have a significant adverse effect on our business, financial condition, results of operations and future prospects.

As a bank holding company, we and our subsidiaries are subject to extensive examination, supervision and comprehensive regulation under both federal and state laws and regulations that are intended primarily for the protection of depositors, customers, the DIF and the overall financial stability of the United States, not for the protection of our stockholders and creditors. We are subject to regulation and supervision by the Federal Reserve, and the Bank is subject to regulation and supervision by the FDIC and the IDFP. The banking laws and regulations applicable to us govern a variety of matters, including, among other things, the types of business activities in which we and our subsidiaries can engage; permissible types, amounts and terms of loans and investments we may make; the maximum interest rate that we may charge; the amount of reserves we must hold against deposits we take; the types of deposits we may accept; maintenance of adequate capital and liquidity; changes in the control of us and the Bank; restrictions on dividends or other capital distributions; and establishment of new offices or branches. These requirements may constrain our operations or require us to

obtain approval from our regulators before engaging in certain activities, with no assurance that such approvals may be obtained, either in a timely manner or at all. Also, the burden imposed by those federal and state regulations may place banks in general at a competitive disadvantage compared to their non-bank competitors.

Applicable banking laws, regulations, interpretations, enforcement policies, and accounting principles have been subject to significant changes in recent years and may be subject to significant future changes. In addition, regulators may elect to alter standards or the interpretation of the standards used to measure regulatory compliance or to determine the adequacy of liquidity, certain risk management or other operational practices for bank holding companies in a manner that impacts our ability to implement our strategy and could affect us in substantial and unpredictable ways. Compliance with existing and any potential new or changed regulations, as well as regulatory scrutiny, may significantly increase our costs, impede the efficiency of our internal business processes, require us to increase our regulatory capital and limit our ability to pursue business opportunities in an efficient manner. Our failure to comply with banking laws, regulations and policies, even if the failure follows good faith effort or reflects a difference in interpretation, could subject us to restrictions on our business activities, fines and other penalties, the commencement of informal or formal enforcement actions against us, and other negative consequences, including reputational damage, any of which could adversely affect our business, financial condition, results of operations, capital base and the price of our securities.

Legal, regulatory and policy changes may directly affect financial institutions and the global economy.

Changes in policy and at banking agencies, including changes in interpretation and prioritization, occur over time through policy and personnel changes following federal and state-level elections, which lead to changes involving the level of oversight and focus on the financial services industry. The nature, timing and economic and political effects of potential changes to the current legal and regulatory framework affecting financial institutions remain highly uncertain. Given the complex factors affecting the strength of the U.S. economy, including uncertainties regarding the persistence of inflation, geopolitical developments such as conflicts in the Middle East, the Russian invasion of Ukraine and recent military activity in Venezuela, and resulting disruptions in the global energy market, tight labor market conditions domestically, supply chain issues both domestically and internationally and the potential effects of policies from the current presidential administration, including its response to the foregoing, potential imposition of new tariffs, immigration enforcement and changes to tax or other financial regulations, uncertainty surrounding future changes may adversely affect our operating environment and therefore our business, financial condition, results of operations and growth prospects.

Federal and state regulators periodically examine our business, and we may be required to remediate adverse examination findings.

The Federal Reserve (with respect to us) and the FDIC and the IDFP (with respect to the Bank) periodically examine our business, including our compliance with applicable laws and regulations. These regulatory agencies have extremely broad discretion in their interpretation of regulations and laws, and in their interpretation of the quality of our loan portfolio, securities portfolio and other assets. If, as a result of an examination, a banking agency were to determine that our financial condition, capital resources, asset quality, lending practices, investment practices, earnings prospects, management, liquidity or other aspects of any of our operations had become unsatisfactory, or that we were in violation of any law or regulation, it may take a number of different remedial actions as it deems appropriate. These actions include the power to enjoin "unsafe or unsound" practices, to require affirmative action to correct any conditions resulting from any violation or practice, to issue an administrative order that can be judicially enforced, to direct an increase in our capital, to restrict our growth, to assess civil money penalties, to fine or remove officers and directors and, if it is concluded that such conditions cannot be corrected or there is an imminent risk of loss to depositors, to terminate our deposit insurance and place us into receivership or conservatorship. Any regulatory action against us could have an adverse effect on our business, financial condition, results of operations and growth prospects.

We are subject to capital adequacy requirements and may be subject to more stringent capital requirements and, if we fail to meet these requirements, we will be subject to restrictions on our ability to make capital distributions and other restrictions.

The Basel III Rule requires us to maintain a minimum Common Equity Tier 1 capital ratio of 4.5%, a minimum total Tier 1 capital ratio of 6%, a minimum total capital ratio of 8% and a minimum Tier 1 leverage ratio of 4%, and a capital conservation buffer of greater than 2.5% of risk-weighted assets (the "Capital Conservation

Buffer"). Failure to maintain the Capital Conservation Buffer would result in increasingly stringent restrictions on our ability to make dividend payments and other capital distributions and to pay discretionary bonuses to our executive officers. See "Supervision and Regulation—The Role of Capital" for more information on the capital adequacy standards that we must meet and maintain.

While we currently meet the requirements of the Basel III Rule, we may fail to do so in the future and may be unable to raise additional capital to remediate any capital deficiencies. The failure to meet applicable regulatory capital requirements could result in one or more of our regulators placing limitations or conditions on our activities or restricting the commencement of new activities, including our growth initiatives, and could affect customer and investor confidence, our costs of funds and level of required deposit insurance assessments to the FDIC, our ability to pay dividends on our capital stock, our ability to make acquisitions, and our business, results of operations and financial conditions generally.

Future legislative or regulatory change could impose higher capital standards on us or the Bank. The Federal Reserve may also set higher capital requirements for holding companies whose circumstances warrant it. For example, holding companies experiencing internal growth or making acquisitions are expected to maintain strong capital positions substantially above the minimum supervisory levels, without significant reliance on intangible assets.

The Federal Reserve may require us to commit capital resources to support the Bank.

Federal law requires a bank holding company to act as a source of financial and managerial strength to its subsidiary bank, and to commit resources to support such subsidiary bank. Under the "source of strength" doctrine, the Federal Reserve may require a bank holding company to make capital injections into a troubled subsidiary bank and may charge the bank holding company with engaging in unsafe and unsound practices for failure to commit resources to a subsidiary bank. A capital injection may be required at times when the Company may not have the resources to provide it and therefore may be required to borrow the funds or raise capital. Any loans by a holding company to its subsidiary bank are subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary bank. In the event of a bank holding company's bankruptcy, the bankruptcy trustee will assume any commitment by the holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of the institution's general unsecured creditors, including the holders of its note obligations. Thus, any borrowing that must be done by the Company to make a required capital injection into the Bank could be more difficult and expensive to obtain and could have an adverse effect on our business, financial condition and results of operations.

Our risk management framework may not be effective in mitigating risks and/or losses to us.

Our risk management framework is comprised of various processes, systems and strategies, and is designed to manage the types of risk to which we are subject, including, among others, credit, market, liquidity, interest rate and compliance. Our framework also includes financial or other modeling methodologies that involve management assumptions and judgment. Our risk management framework may not be effective under all circumstances or that it will adequately mitigate any risk or loss to us. If our framework is not effective, we could suffer unexpected losses and our business, financial condition, results of operations or growth prospects could be materially and adversely affected. We may also be subject to potentially adverse regulatory consequences.

Future consumer legislation or regulation could harm our performance and competitive position.

The Dodd-Frank Act established the CFPB as an independent federal agency that has broad rulemaking authority over consumer financial products and services for all financial institutions, including deposit products, residential mortgages, home-equity loans and credit cards. In addition, the CFPB also has exclusive supervisory and examination authority and primary enforcement authority with respect to various federal consumer financial laws and regulations for insured depository institutions with more than \$10 billion in total consolidated assets. The Bank is not subject to the examination and supervisory authority of the CFPB because it has less than \$10 billion in total assets, but it is required to comply with the rules and regulations issued by the CFPB. The FDIC has the primary responsibility for supervising and examining the Bank's compliance with federal consumer financial laws and regulations, including CFPB regulations. See "Supervision and Regulation—Supervision and Regulation of the Bank—Consumer Financial Services" for additional information.

In addition to the enactment of the Dodd-Frank Act, various state and local legislative bodies have adopted or have been considering augmenting their existing framework governing consumers' rights. These considerations could also be impacted by changes in federal administration. Such legislative or regulatory changes to consumer financial laws and regulations could result in changes to our pricing, practices, products and procedures; increases in our costs related to regulatory oversight, supervision and examination; or result in remediation efforts and possible penalties. We may be required to add additional compliance personnel or incur other significant compliance-related expenses to meet the demands of these consumer protection laws. We cannot predict whether new legislation or regulation will be enacted and, if enacted, the effect that it would have on our activities, financial condition, or results of operations.

We are subject to numerous laws and regulations designed to protect consumers, including the Community Reinvestment Act and fair lending laws, and failure to comply with these laws could lead to a wide variety of sanctions.

The CRA requires the Bank, consistent with safe and sound operations, to ascertain and meet the credit needs of their entire communities, including low- and moderate-income areas. The Bank's failure to comply with the CRA could, among other things, result in the denial or delay of certain corporate applications filed by us or the Bank, including applications for branch openings or relocations and applications to acquire, merge or consolidate with another banking institution or holding company. In addition, the Equal Credit Opportunity Act, the Fair Housing Act and other fair lending laws and regulations prohibit discriminatory lending practices by financial institutions. The U.S. Department of Justice, federal banking agencies, and other federal agencies are responsible for enforcing these laws and regulations. A challenge to an institution's compliance with fair lending 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 challenge an institution's performance under fair lending laws in private class action litigation. Such actions could have a material adverse effect on our business, financial condition, results of operations and growth prospects. See "Supervision and Regulation—Supervision and Regulation of the Bank—Community Reinvestment Act Requirements".

The expanding body of federal, state and local regulations and/or the licensing of loan servicing, collections or other aspects of our business and our sales of loans to third parties may increase the cost of compliance and the risks of noncompliance and subject us to litigation.

Loan servicing is subject to extensive regulation by federal, state and local governmental authorities as well as to various laws and judicial and administrative decisions imposing requirements and restrictions on those activities. The volume of new or modified laws and regulations has increased in recent years and, in addition, some individual municipalities have begun to enact laws that restrict loan servicing activities including delaying or temporarily preventing foreclosures or forcing the modification of certain mortgages. If regulators impose new or more restrictive requirements, we may incur significant additional costs to comply with such requirements which may adversely affect us. In addition, were we to be subject to regulatory investigation or regulatory action regarding our loan modification and foreclosure practices, our financial condition and results of operation could be adversely affected. We have also sold loans to third parties. In connection with these sales, we, or certain of our subsidiaries, make or have made various representations and warranties, breaches of which may result in a requirement that we repurchase the loans or otherwise make whole or provide other remedies to counterparties. These aspects of our business or our failure to comply with applicable laws and regulations could possibly lead to, among other things, civil and criminal liability, loss of licensure, damage to our reputation in the industry or with customers, fines and penalties, litigation (including class action lawsuits) and administrative enforcement actions. Any of these outcomes could materially and adversely affect us.

Laws impacting cannabis-related businesses may have an impact on the Company's operations and risk profile.

Executive Order 14370, "Increasing Medical Marijuana and Cannabidiol Research," directs federal agencies to work towards rescheduling marijuana from Schedule I to Schedule III under the Controlled Substances Act. The executive order does not change cannabis's legal status under the Controlled Substances Act, which makes it illegal under federal law to manufacture, distribute, or dispense marijuana. However, the Illinois Cannabis Regulation and Tax Act permits adults 21 years or older to legally purchase marijuana for recreational use from licensed dispensaries. It is the Bank's current practice to avoid knowingly providing banking products or

services to entities or individuals that directly manufacture, distribute, or dispense marijuana or hemp products, or those with a significant financial interest in such entities. The Bank uses reasonable measures, including appropriate new account screening and customer due diligence measures, to ensure that existing and potential customers that operate in the states in which the Bank operates do not engage in any such activities. Nonetheless, the state-level legalization of cannabis use has increased the number of direct and indirect cannabis-related businesses in Illinois, and therefore increased the likelihood that the Bank could interact with such businesses, as well as their owners and employees. Such interactions could create additional legal, regulatory, strategic, and reputational risk to the Bank and the Company.

Non-compliance with the USA PATRIOT Act, the Bank Secrecy Act, or other laws and regulations could result in fines or sanctions.

Financial institutions are required under the USA PATRIOT Act of 2001 and the BSA to develop programs to prevent financial institutions from being used for money-laundering, terrorist financing and other illicit activities. Financial institutions are also obligated to file suspicious activity reports with the Office of Financial Crimes Enforcement Network ("FinCEN") of the Treasury if such activities are detected. These rules also require financial institutions to establish procedures for identifying and verifying the identity of customers seeking to open new financial accounts. Failure or the inability to comply with these regulations could result in fines or penalties, curtailment of expansion opportunities, intervention or sanctions by regulators and costly litigation or expensive additional controls and systems. In recent years, several banking institutions have received large fines for non-compliance with these laws and regulations. In addition, FinCEN requires financial institutions to enhance their customer due diligence programs, including verifying the identity of beneficial owners of qualifying business customers. We have developed policies and continue to augment procedures and systems designed to assist in compliance with these laws and regulations, but these policies may not be effective to provide such compliance. If we violate these laws and regulations, or our policies, procedures and systems are deemed deficient, we could face severe consequences, including sanctions, fines, regulatory actions and reputational consequences. Any of these results could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Regulation in the areas of privacy and data security could increase our costs.

We are subject to various regulations related to privacy and data security, and we could be negatively impacted by these regulations. For example, we are subject to the safeguards guidelines under the Gramm-Leach-Bliley Act. The safeguards guidelines require that each financial institution develop, implement and maintain a written, comprehensive information security program containing safeguards that are appropriate to the financial institution's size and complexity, the nature and scope of the financial institution's activities and the sensitivity of any customer information at issue. Further, there are various other statutes and regulations relevant to the direct email marketing, debt collection and text-messaging industries including the Telephone Consumer Protection Act.

In addition to the foregoing enhanced data security requirements, various federal banking regulatory agencies, and all 50 states, the District of Columbia, Puerto Rico and the Virgin Islands, have enacted data security regulations and laws requiring varying levels of consumer notification in the event of a security breach and/or requirements to disclose to consumers information collected about them. Also, federal legislators and regulators are increasingly pursuing new guidelines, laws and regulations, including with respect to the use of artificial intelligence by financial institutions and service providers, that, if adopted, could further restrict how we collect, use, share and secure consumer information, which could impact some of our current or planned business initiatives. The interpretation of many of these statutes and regulations is evolving in the courts and administrative agencies and an inability or failure to comply with them may have an adverse impact on our business.

Litigation and regulatory actions, including possible enforcement actions, could subject us to significant fines, penalties, judgments or other requirements resulting in increased expenses or restrictions on our business activities.

Our business is subject to increased litigation and regulatory enforcement risks due to a number of factors, including the highly regulated nature of the financial services industry and the focus of state and federal prosecutors on banks and the financial services industry generally. This focus has intensified in recent years,

with regulators and prosecutors focusing on a variety of financial institution practices and requirements, including foreclosure, overdraft fees, compliance with applicable consumer protection laws, and compliance with anti-money laundering statutes, the BSA and sanctions administered by the Office of Foreign Assets Control of the Treasury.

In the normal course of business, from time to time, we have in the past and may in the future be named as a defendant in various legal actions, including arbitrations, class actions and other litigation, arising in connection with our business activities or the prior business activities of a company acquired by us. Legal actions could include claims for substantial compensatory or punitive damages or claims for indeterminate amounts of damages. In addition, while the arbitration provisions in certain of our customer agreements historically have limited our exposure to consumer class action litigation, there can be no assurance that we will be successful in enforcing our arbitration clause in the future. We may also, from time to time, be the subject of subpoenas, requests for information, reviews, investigations and proceedings (both formal and informal) by governmental agencies regarding our business activities. Any such legal or regulatory actions may subject us to substantial compensatory or punitive damages, significant fines, penalties, obligations to change our business practices or other requirements resulting in increased expenses, diminished income and damage to our reputation. Our involvement in any such matters, whether tangential or otherwise and even if the matters are ultimately determined in our favor, could also cause significant harm to our reputation and divert management attention from the operation of our business. Further, any settlement, consent order or adverse judgment in connection with any formal or informal proceeding or investigation by government agencies may result in litigation, investigations or proceedings as other litigants and government agencies begin independent reviews of the same activities. As a result, the outcome of legal and regulatory actions could have a material adverse effect on our business, results of operations, financial condition and cash flows.

See "Note 23 – Commitments and Contingencies – Legal Contingencies" to the consolidated financial statements for additional information regarding certain legal actions and litigation to which we are subject, including a discussion of potential losses and related accruals.

The preparation of our consolidated financial statements requires us to make estimates and judgments, which are subject to an inherent degree of uncertainty and which may differ from actual results.

Our consolidated financial statements are prepared in accordance with GAAP, which requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Some accounting policies, such as those pertaining to our allowance, require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these estimates and judgments are subject to an inherent degree of uncertainty and actual results may differ from these estimates and judgments under different assumptions or conditions, which may have a material adverse effect on our financial condition or results of operations in subsequent periods.

From time to time, the FASB and the SEC change the financial accounting and reporting standards or the interpretation of those standards that govern the preparation of our external financial statements. In addition, trends in financial and business reporting could require us to incur additional reporting expense. These changes are beyond our control, can be difficult to predict and could materially impact how we report our financial condition and results of operations.

RISKS RELATED TO OUR BUSINESS STRATEGY

We may not be able to continue growing our business, particularly if we cannot make acquisitions or increase loans through organic loan growth, either because of an inability to find suitable acquisition candidates, constrained capital resources or otherwise.

We anticipate that much of our future growth will be dependent on our ability to successfully implement our acquisition growth strategy because certain of our market areas are comprised of mature, rural communities with limited population growth. A risk exists, however, that we will not be able to identify suitable candidates for acquisitions. In addition, even if suitable targets are identified, we expect to compete for such businesses with other potential bidders, which may have greater financial resources than we have, which may adversely affect our ability to make acquisitions at attractive prices. In light of the foregoing, our ability to continue to grow

successfully will depend to a significant extent on our capital resources. It also will depend, in part, upon our ability to attract deposits, identify favorable loan and investment opportunities, and maintain cost controls and asset quality, as well on other factors beyond our control, such as national, regional and local economic conditions and interest rate trends.

Our strategy of pursuing growth via acquisitions exposes us to financial, execution and operational risks that could have a material adverse effect on our business, financial position, results of operations and growth prospects.

We have been pursuing a strategy of leveraging our human and financial capital by acquiring other financial institutions in our target markets, including acquisitions of failed insured depository institutions with the assistance of the FDIC. We continue to opportunistically seek acquisitions that are either located within our market footprint, in adjacent markets or provide a new growth opportunity that is strategically and financially compelling and consistent with our culture.

Our acquisition activities could require us to use a substantial amount of cash, other liquid assets, and/or issue debt or additional equity. In addition to the general risks associated with any growth plans, acquiring other banks, businesses, or branches involves various risks commonly associated with acquisitions, including, among other things:

- the time and expense associated with identifying and evaluating potential acquisitions and negotiating potential transactions;
- inaccuracies in the estimates and judgments used to evaluate credit, operations, management, and market risks with respect to the target institution (if the actual results fall short or exceed our estimates, our earnings, capital and financial condition may be materially and adversely affected);
- the ability to finance an acquisition and possible dilution to existing stockholders;
- the failure to realize some or all of the anticipated transaction benefits within the expected time frame, or ever;
- potential goodwill impairment;
- compliance and legal risks associated with acquiring unfamiliar customers, products and services, and branches in new geographical markets; and
- risks associated with integrating the operations and personnel of the acquired business in a manner that permits growth opportunities and does not materially disrupt existing customer relationships or result in decreased revenues resulting from any loss of customers.

With respect to the risks particularly associated with the integration of an acquired business, we may encounter a number of difficulties, including, among other things:

- customer loss and revenue loss;
- the loss of key employees;
- the disruption of its operations and business;
- the inability to maintain and increase its competitive presence;
- possible inconsistencies in standards, control procedures and policies; and
- unexpected problems with costs, operations, personnel, technology and credit.

In addition to the risks posed by the integration process itself, the focus of management's attention and effort on integration may result in a lack of sufficient management attention to other important issues, causing harm to our business. Also, general market and economic conditions or governmental actions affecting the financial industry generally may inhibit our successful integration of an acquired business.

Generally, any acquisition of financial institutions, banking centers or other banking assets by us will require approval by, and cooperation from, a number of governmental regulatory agencies, including the Federal Reserve, the IDFP, and the FDIC. Such regulators could deny our applications based on various prescribed criteria or other considerations, which would restrict our growth, or the regulatory approvals may not be granted on terms that are acceptable to us. For example, we could be required to sell banking centers as a condition to receiving regulatory approvals and such a condition may not be acceptable to us or may reduce the benefit of any acquisition. These regulatory approvals and the factors considered in reviewing such applications are described in greater detail in "Supervision and Regulation—Acquisitions and Branching."

We cannot assure you that we will be successful in overcoming these risks or any other problems encountered in connection with acquisitions. Our inability to overcome risks associated with acquisitions could have an adverse effect on our ability to successfully implement our acquisition growth strategy and grow our business and profitability.

RISKS RELATED TO OWNERSHIP OF OUR COMMON STOCK

Our principal stockholder, Heartland Bancorp, Inc. Voting Trust U/A/D 5/4/2016, has significant influence over us, and its interests could conflict with those of our other stockholders.

As of December 31, 2025, our principal stockholder, Heartland Bancorp, Inc. Voting Trust U/A/D 5/4/2016 (the "Voting Trust"), owned approximately 54.8% of the outstanding shares of our common stock and its trustee is our Executive Chairman. As a result, the Voting Trust is able to influence matters requiring approval by our stockholders, including the election of directors and the approval of mergers or other extraordinary transactions. The Voting Trust may also have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. The concentration of ownership may also have the effect of delaying, preventing or deterring a change of control of the Company and might ultimately affect the market price of our common stock.

The ability of the Voting Trust to sell its shares of our common stock privately, with no requirement for a concurrent offer to be made to acquire all of the shares of our outstanding common stock, could prevent our stockholders from realizing any change of control premium on shares of our common stock that they own that may accrue to the Voting Trust on its private sale of our common stock.

Even if the Voting Trust's ownership of our shares falls below a majority, the Voting Trust may continue to be able to influence or effectively control our decisions.

Our ability to continue to pay dividends to our stockholders is restricted by applicable laws and regulations and by the ability of our subsidiaries to pay dividends to us.

Holders of our common stock are only entitled to receive such cash dividends as our board, in its sole discretion, may declare out of funds legally available for such payments. 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. As a bank holding company, our ability to declare and pay dividends to our stockholders is subject to certain banking laws, regulations, and policies, including minimum capital requirements and, as a Delaware corporation, we are subject to certain restrictions on dividends under the DGCL. In addition, we are a separate legal entity, and, accordingly, our ability to pay dividends depends primarily upon the receipt of dividends or other capital distributions from the Bank. The ability of the Bank to make distributions or pay dividends to us is subject to its earnings, financial condition, and liquidity needs, as well as federal and state laws, regulations, and policies applicable to the Bank, which limit the amount the Bank can pay as dividends or other capital distributions to us. Finally, our ability to pay dividends to our stockholders, or the Bank's ability to pay dividends or other distributions to us, may be limited by covenants in any financing arrangements that we or the Bank may enter into in the future. See "Supervision and Regulation."

As a consequence of these various limitations and restrictions, we may not be able to make, or may have to reduce or eliminate at any time, future dividends on our common stock. Any change in the level of our dividends or the suspension of the payment thereof could have a material adverse effect on the market price of our common stock.

We cannot guarantee that we will be able to pay dividends to our stockholders, or that the board of directors of the Bank will be able to or will elect to pay dividends to us, nor can we guarantee the timing or amount of any such dividends actually paid. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it.

Future sales of our common stock, or the perception in the public markets that these sales may occur, may depress our stock price.

Sales of substantial amounts of our common stock in the public market, or the perception that these sales could occur, could adversely affect the price of our common stock and could impair our ability to raise capital through the sale of additional shares. The shares of our common stock held by each of our executive officers and directors and the trustee of the Voting Trust may be sold in accordance with the volume, manner of sale, and other limitations under Rule 144, and may also be sold pursuant to a Registration Statement on Form S-3 filed by the Company, which was declared effective by the SEC on April 19, 2023.

In the future, we may also issue securities in connection with acquisitions or investments. The number of shares of our common stock issued in connection with an acquisition or investment could constitute a material portion of our then-outstanding shares of our common stock.

Anti-takeover provisions in our charter documents and Delaware law, and the banking laws and regulations to which we are subject, might discourage or delay acquisition attempts for us that you might consider favorable.

Our restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of the Company more difficult without the approval of our board of directors. These provisions:

- authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend or other rights or preferences superior to the rights of the holders of common stock;
- prohibit stockholder action by written consent, requiring all stockholder actions be taken at a meeting of our stockholders, if the Voting Trust ceases to own more than 35% of our outstanding common stock;
- provide that the board of directors is expressly authorized to make, alter or repeal our amended and restated bylaws;
- establish advance notice requirements for nominations for elections to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings; and
- prohibit stockholders from calling special meetings of stockholders.

These anti-takeover provisions and other provisions under Delaware law could discourage, delay or prevent a transaction involving a change in control of the Company, even if doing so would benefit our stockholders. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire.

Furthermore, banking laws impose notice, approval and ongoing regulatory requirements on any stockholder or other party that seeks to acquire direct or indirect "control," as defined under applicable law, of an FDIC-insured depository institution. These laws include the BHCA and the CBCA. These laws could, among other things, limit the equity held by certain stockholders, restrain a stockholder's ability to influence proxy matters, or prevent an acquisition of the Company, in each case without first obtaining regulatory approval. See "Supervision and Regulation—Supervision and Regulation of the Company—Change in Control."

Our restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our restated certificate of incorporation provides that, subject to limited exceptions, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) any action asserting a claim against us or any of our directors, officers or other employees arising pursuant to any provision of the DGCL, our certificate of incorporation or our by-laws or (iv) any other action asserting a claim against us or any of our directors, officers or other employees that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any

interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our certificate of incorporation described above. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition.

EXTERNAL RISKS

Adverse changes in local economic conditions and adverse conditions in an industry on which a local market in which we do business depends could hurt our business in a material way.

Our financial performance generally, and in particular the ability of our borrowers to pay interest on and repay principal of outstanding loans and the value of collateral securing those loans, as well as demand for loans and other products and services we offer, is highly dependent upon the business environment in the markets in which we operate and in the United States as a whole. Unlike larger banks that are more geographically diversified, we provide banking and financial services to customers primarily in Illinois and Iowa. The economic conditions in our local markets may be different from, or worse than, the economic conditions in the United States as a whole. Some elements of the business environment that affect our financial performance include short-term and long-term interest rates, the prevailing yield curve, inflation and price levels, tax policy, monetary policy, unemployment and the strength of the domestic economy and the local economy in the markets in which we operate.

Unfavorable market conditions can result in a deterioration in the credit quality of our borrowers and the demand for our products and services, an increase in the number of loan delinquencies, defaults and charge-offs, additional provisions for credit losses, adverse asset values and an overall material adverse effect on the quality of our loan portfolio. Unfavorable or uncertain economic and market conditions can be caused by, among other factors, declines in economic growth, business activity or investor or business confidence; limitations on the availability or increases in the cost of credit and capital; changes in inflation or interest rates; increases in real estate and other state and local taxes; high unemployment; natural disasters; pandemics; climate change; acts of terrorism or war (including conflicts in the Middle East, the Russian invasion of Ukraine and recent military activity in Venezuela); or a combination of these or other factors.

Elevated levels of inflation could adversely impact our business and results of operations.

The United States has recently experienced elevated levels of inflation. Elevated levels of inflation could have complex effects on our business and results of operations, some of which could be materially adverse. For example, elevated inflation harms consumer purchasing power, which could negatively affect our retail customers and the economic environment and, ultimately, many of our business customers, and could also negatively affect our levels of non-interest expense. In addition, if interest rates were to rise in response to elevated levels of inflation, the value of our securities and loan portfolios may be negatively impacted. Elevated levels of inflation could also cause increased volatility and uncertainty in the business environment, which could adversely affect loan demand and our clients' ability to repay indebtedness. It is also possible that governmental responses to the current inflation environment could adversely affect our business, such as changes to monetary and fiscal policy that are too strict, or the imposition or threatened imposition of price controls.

Failure to attract and retain qualified employees could negatively impact our business, results of operations and financial condition.

The Company's success depends, in large part, on its ability to attract and retain key individuals. Competition for qualified candidates in the activities in which the Company engages and markets that the Company serves is significant, and the Company may not be able to hire candidates and retain them. Growth in the Company's business, including through acquisitions, may increase its need for additional qualified personnel. The Company is increasingly competing for personnel with financial technology providers and other less regulated entities who may not have the same limitations on compensation as the Company does. This can be particularly constraining when competing for skill sets which are in high demand, such as technology, risk and information security.

Recruiting and compensation costs may increase as a result of changes in the marketplace, which may increase costs and adversely impact the Company.

The increase in remote and hybrid-work arrangements and opportunities in regional, national and global labor markets have also increased competition for the Company to attract and retain skilled personnel. The Company's current or future approach to in-office and remote-work arrangements may not meet the needs or expectations of current or prospective employees or may not be perceived as favorable as compared with the arrangements offered by other companies, which could adversely affect the Company's ability to attract and retain employees. If the Company is not able to hire or retain highly skilled, qualified and diverse individuals, it may be unable to execute its business strategies and may suffer adverse consequences to its business, financial condition and results of operations.

Climate change could have a material negative impact on the Company and our customers.

The Company's business, as well as the operations and activities of our customers, could be negatively impacted by climate change. Climate change presents both immediate and long-term risks to the Company and our customers, and these risks are expected to increase over time. Climate change presents multi-faceted risks, including, but not limited to:

- operational risk from the physical effects of climate events on the Company and our customers' facilities and other assets;
- credit risk from borrowers with significant exposure to climate risk;
- legal and regulatory compliance risk; and
- reputational risk from stakeholder concerns about the Company's practices related to climate change and the Company's business relationships with clients who operate in carbon-intensive industries.

The risks associated with climate change are changing and evolving in an escalating fashion, making them difficult to assess due to limited data and other uncertainties.

Our future growth and success will depend on our ability to compete effectively in a highly competitive environment.

We face substantial competition in all phases of our operations from a variety of different competitors. Our future growth and success will depend on our ability to compete effectively in this highly competitive environment. To date, our competitive strategies have focused on attracting deposits in our local markets and growing our loan portfolio by emphasizing specific loan products in which we have significant experience and expertise, identifying and targeting markets in which we believe we can effectively compete with larger institutions and other competitors, and offering highly competitive pricing to borrowers with appropriate risk profiles. We compete for loans, deposits and other financial services with other commercial banks, credit unions, fintechs, digital asset service providers, brokerage houses, mutual funds, insurance companies, real estate conduits, mortgage brokers and specialized finance companies. Many of our competitors offer products and services that we do not offer, and some offer loan structures and have underwriting standards that are not as restrictive as our required loan structures and underwriting standards. Some larger competitors have substantially greater resources and lending limits, name recognition and market presence that benefit them in attracting business. In addition, larger competitors may be able to price loans more aggressively than we do, and because of their larger capital bases, their underwriting practices for smaller loans may be subject to less regulatory scrutiny than they would be for smaller banks. Newer competitors may be more aggressive in pricing their products in order to increase their market share.

Some of the financial institutions and financial services organizations with which we compete are not subject to the extensive regulations imposed on banks insured by the FDIC and their holding companies. As a result, these nonbank competitors have certain advantages over us in accessing funding and in providing various financial services. Additionally, technology and other changes are allowing consumers and businesses to complete financial transactions through alternative methods that historically have involved banks. Customers can now maintain funds in prepaid debit cards or digital currencies and pay bills and transfer funds directly without the direct assistance of banks. The diminishing role of banks as financial intermediaries has resulted and could continue to result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and the potential loss of lower cost

deposits as a source of funds could have a material adverse effect on our business, financial condition and results of operations.

Additionally, while we do not offer products relating to digital assets, including cryptocurrencies and other similar assets, there has been a significant increase in digital asset adoption globally over the past several years. Certain characteristics of digital asset transactions, such as the speed with which such transactions can be conducted, the ability to transact without the involvement of regulated intermediaries, the ability to engage in transactions across multiple jurisdictions, and the anonymous nature of the transactions, are appealing to certain consumers notwithstanding the various risks posed by such transactions. Accordingly, digital asset service providers—which, at present are not subject to the same degree of scrutiny and oversight as banking organizations and other financial institutions—are becoming active competitors to more traditional financial institutions. The process of eliminating banks as intermediaries, known as “disintermediation,” could result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and deposits could have a material adverse effect on our financial condition and results of operations. Potential partnerships with digital asset companies, moreover, could also entail significant investment.

Our ability to maintain our reputation is critical to the success of our business, and the failure to do so may materially adversely affect our business and the value of our stock.

We are a community bank, and our reputation is one of the most valuable components of our business. As such, we strive to conduct our business in a manner that enhances our reputation. This is done, in part, by recruiting, hiring and retaining employees who share our core values of being an integral part of the communities we serve, delivering superior service to our customers and caring about our customers and associates. Maintenance of our reputation depends not only on our success in maintaining our service-focused culture, but also on our success in identifying and appropriately addressing issues that may arise in areas such as potential conflicts of interest, anti-money laundering, customer personal information and privacy issues, employee, customer and other third-party fraud, recordkeeping, regulatory investigations, and any litigation that may arise from the failure or perceived failure of us to comply with legal and regulatory requirements. If our reputation is negatively affected, by the intentional, inadvertent or unsubstantiated misconduct of our employees, directors, customers, third parties, or otherwise, our business and, therefore, our operating results and the value of our stock may be materially adversely affected.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

We rely extensively on various information systems and other electronic resources to operate our business. In addition, nearly all of our customers, service providers and other business partners on whom we depend, including the providers of our online banking, mobile banking and accounting systems, use these systems and their own electronic information systems. Any of these systems can be compromised, including through the employees, customers and other individuals who are authorized to use them, and bad actors use a sophisticated and constantly evolving set of software, tools and strategies to do so. Moreover, the nature of our business, as a financial services provider, and our relative size, make us and our business partners high-value targets for these bad actors to pursue.

Accordingly, we have long devoted significant resources to assessing, identifying and managing risks associated with cybersecurity threats, including:

- internal resources who are responsible for conducting regular assessments of our information systems, existing controls, vulnerabilities and potential improvements;
- continuous monitoring tools that can detect, alert on, respond to, and help mitigate cybersecurity threats in real-time;
- performing due diligence with respect to our third-party service providers, including their cybersecurity practices, and requiring contractual commitments from our service providers to take certain cybersecurity measures;

- third-party cybersecurity consultants, who conduct periodic penetration testing, vulnerability assessments, and other procedures which identify potential weaknesses in our systems and help validate and improve internal processes and tooling; and
- periodic cybersecurity training for our workforce.

This information security program is a key part of our overall risk management system, which is administered by our Chief Risk Officer. The program includes administrative, technical and physical safeguards to help ensure the security and confidentiality of customer records and information. These security and privacy policies and procedures are in effect across all of our lines of business and geographic locations.

From time-to-time, we have identified cybersecurity threats that require us to make changes to our processes and to implement additional safeguards. While none of these identified threats or incidents have materially affected us, it is possible that threats and incidents we identify in the future could have a material adverse effect on our business strategy, results of operations and financial condition. We continue to evolve our controls to mitigate these threats as effectively as we can reasonably foresee them occurring.

Our management team is responsible for the day-to-day management of risks we face, including our Chief Information Officer. Our current Chief Information Officer has over 20 years of technology experience, including 17 years in banking.

In addition, our board of directors is responsible for the oversight of risk management. In that role, our board of directors, with support from the Company's cybersecurity advisors, are responsible for ensuring that the risk management processes designed and implemented by management are adequate and functioning as designed. To carry out those duties, our board of directors receive reports from our management team regarding cybersecurity risks, and the Company's efforts to prevent, detect, mitigate and remediate any cybersecurity incidents. These reports are delivered at least quarterly, with additional information and trainings provided at least twice per year.

ITEM 2. PROPERTIES

HBT Financial and Heartland Bank's headquarters are located at 401 North Hershey Road, Bloomington, Illinois. The Company owns these headquarters, and it also owns or leases other facilities, such as banking centers of Heartland Bank, for business operations. The Company considers its properties to be suitable and adequate for its present needs.

ITEM 3. LEGAL PROCEEDINGS

We are sometimes party to legal actions that are routine and incidental to our business. Management, in consultation with legal counsel, does not expect the ultimate disposition of any or a combination of these matters to have a material adverse effect on our assets, business, cash flow, condition (financial or otherwise), liquidity, prospects and results of operations. However, given the nature, scope and complexity of the extensive legal and regulatory landscape applicable to our business, including laws and regulations governing consumer protection, fair lending, fair labor, privacy, information security and anti-money laundering and anti-terrorism laws, we, like all banking organizations, are subject to heightened legal and regulatory compliance and litigation risk.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II.**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****Market Information and Holders of Record**

HBT Financial, Inc.'s common stock is listed on the Nasdaq Global Select Market under the symbol "HBT."

As of February 18, 2026, HBT Financial, Inc. had approximately 116 shareholders of record. A substantially greater number of holders of our common stock are "street name" or beneficial holders, whose shares are held by banks, brokers and other financial institutions.

Dividends

During 2025, we paid quarterly cash dividends of \$0.21 per share on our common stock. The quarterly cash dividend was increased to \$0.23 per share on January 27, 2026. We expect to continue our policy of paying quarterly cash dividends. Our board of directors may change or eliminate the payment of future dividends at its discretion, without notice to our stockholders. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including general and economic conditions, industry standards, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, banking regulations, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries to us, and such other factors as our board of directors may deem relevant.

Issuer Purchases of Equity Securities

On December 17, 2024, the Company's board of directors approved a stock repurchase program that authorized the Company to repurchase up to \$15 million of its common stock which expired on January 1, 2026 (the "2025 Repurchase Plan"). On December 16, 2025, the Company's board of directors approved a new stock repurchase program that took effect upon the expiration of the old stock repurchase program and expires on January 1, 2027 (the "2026 Repurchase Plan"). The 2026 Repurchase Plan authorizes the Company to repurchase up to \$30 million of its common stock. The timing of purchases and number of shares repurchased are dependent upon a variety of factors including price, trading volume, corporate and regulatory requirements, and market conditions. The Company is not obligated to purchase any shares under the stock repurchase program, and the stock repurchase program could be suspended or discontinued at any time without notice.

The following table sets forth information about the Company's purchases of its common stock during the fourth quarter of 2025:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet be Purchased Under the Plans or Programs (in thousands)
October 1 - 31, 2025	23,879	\$ 24.33	23,879	\$ 10,516
November 1 - 30, 2025	—	—	—	10,516
December 1 - 31, 2025	—	—	—	10,516
Total	23,879	\$ 24.33	23,879	\$ 10,516 ⁽¹⁾

(1) As of December 31, 2025, there was \$10.5 million left under the 2025 Repurchase Plan, which expired on January 1, 2026. There are no longer any shares subject to repurchase under the 2025 Repurchase Plan. The 2026 Repurchase Plan took effect upon the expiration of the 2025 Repurchase Plan, and there remains \$30.0 million in common stock subject to repurchase thereunder.

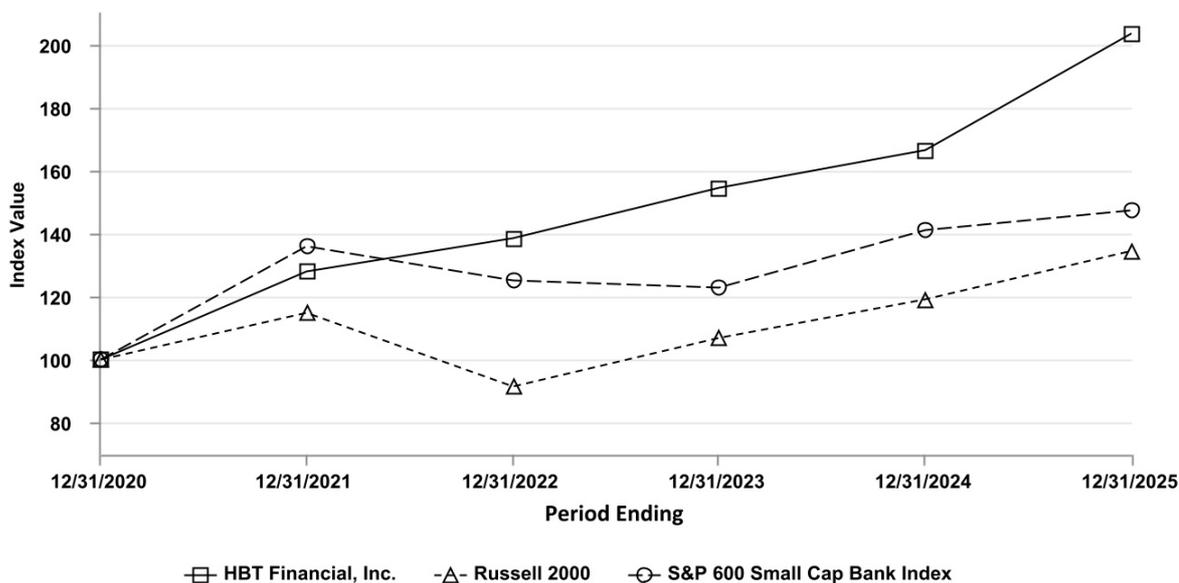
Unregistered Sales of Equity Securities

None.

Stock Performance Graph

The performance graph and table below compares the cumulative total return on the Company’s common stock from December 31, 2020 through December 31, 2025, with the cumulative total return of: (a) the Russell 2000 Index which reflects a broad equity market index and (b) the S&P 600 Small Cap Bank Index. The performance graph and table assume an initial investment of \$100 and reinvestment of dividends. Returns are presented on a total return basis.

COMPARISON OF CUMULATIVE TOTAL RETURN



Index	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024	December 31, 2025
HBT Financial, Inc.	\$ 100.00	\$ 128.03	\$ 138.34	\$ 154.48	\$ 166.46	\$ 203.45
Russell 2000	100.00	114.82	91.35	106.82	119.14	134.40
S&P 600 Small Cap Bank Index	100.00	135.74	125.04	122.91	140.90	147.34

The performance graph and table represent past performance and should not be considered to be an indication of future performance. The information in the preceding paragraph, stock performance graph, and table shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C, other than as provided in Item 201 of Regulation S-K, or to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically request that such information be treated as soliciting material or specifically incorporate it by reference into a filing under the Securities Act or the Exchange Act.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless the context requires otherwise, references in this report to the "Company," "we," "us" and "our" refer to HBT Financial, Inc. and its subsidiaries.

Management's discussion and analysis should be read in conjunction with the following parts of this Annual Report on Form 10-K: Part I, Item 1 "Business"; Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk", and Part II, Item 8 "Financial Statements and Supplementary Data". Detailed discussion and analysis of the financial condition and results of operation for 2025 as compared to 2024 can be found below. Detailed discussion and analysis of the financial condition and results of operation for 2024 as compared to 2023 can be found in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations."

OVERVIEW

HBT Financial, Inc., headquartered in Bloomington, Illinois, is the holding company for Heartland Bank and Trust Company, and has banking roots that can be traced back to 1920. We provide a comprehensive suite of financial products and services to consumers, businesses, and municipal entities throughout Illinois and eastern Iowa. As of December 31, 2025, the Company had total assets of \$5.1 billion, loans held for investment of \$3.5 billion, and total deposits of \$4.4 billion.

Market Area

As of December 31, 2025, our branch network included 66 full-service branch locations throughout Illinois and eastern Iowa. We hold a leading deposit share in many of our central Illinois markets, which we define as a top three deposit share rank, providing the foundation for our strong deposit base. The stability provided by this low-cost funding is a key driver of our strong track record of financial performance. Below is a summary of our loan and deposit balances by geographic region:

	December 31, 2025		December 31, 2024	
	Loans	Deposits	Loans	Deposits
<i>(dollars in thousands)</i>				
Central	\$ 1,569,443	\$ 3,005,134	\$ 1,676,842	\$ 2,984,820
Chicago MSA	1,522,963	1,244,319	1,443,777	1,218,098
Illinois	3,092,406	4,249,453	3,120,619	4,202,918
Iowa	363,803	109,810	345,527	115,336
Total	<u>\$ 3,456,209</u>	<u>\$ 4,359,263</u>	<u>\$ 3,466,146</u>	<u>\$ 4,318,254</u>

CNB Bank Shares, Inc. Acquisition

On March 1, 2026, HBT Financial completed its acquisition of CNB, the holding company for CNB Bank. The combined company will have increased density in the central Illinois, Chicago MSA, and St. Louis MSA markets. Prior to the acquisition, CNB operated 18 full-service branch locations which now operate as branches of Heartland Bank. The core system conversion is expected to occur in March 2026.

As of December 31, 2025, CNB had total assets of \$1.8 billion, total loans of \$1.3 billion, and total deposits of \$1.5 billion. This acquisition is a subsequent event and the financial results of CNB are not recognized in this Form 10-K.

Total consideration consisted of 5.5 million shares of HBT Financial's common stock and \$34 million in cash. Based upon the closing price of HBT Financial common stock of \$26.96 on February 27, 2026, the aggregate consideration was approximately \$182 million. Acquisition-related expenses recognized during the year ended December 31, 2025 totaled \$1.0 million.

Town and Country Financial Corporation Acquisition

On February 1, 2023, HBT Financial completed its acquisition of Town and Country, the holding company for Town and Country Bank. The acquisition of Town and Country further enhanced HBT Financial's footprint in central Illinois and expanded our footprint into metro-east St. Louis. At the time of acquisition, Town and Country Bank operated 10 full-service branch locations which began operating as branches of Heartland Bank. The core system conversion was successfully completed in April 2023. After considering business combination accounting adjustments, Town and Country added total assets of \$937.2 million, total loans held for investment of \$635.4 million, and total deposits of \$720.4 million.

Total consideration consisted of 3.4 million shares of HBT Financial's common stock and \$38.0 million in cash. Based upon the closing price of HBT Financial common stock of \$21.12 on February 1, 2023, the aggregate consideration was approximately \$109.4 million. Goodwill of \$30.5 million was recorded in the acquisition. Acquisition-related expenses recognized during the year ended December 31, 2023 totaled \$13.7 million, including the recognition of an allowance for credit losses on non-purchased credit deteriorated loans and an allowance for credit losses on unfunded commitments. There were no Town and Country acquisition-related expenses recognized subsequent to the second quarter of 2023.

RESULTS OF OPERATIONS

Overview of Recent Financial Results

<i>(dollars in thousands, except per share amounts)</i>	Year Ended December 31,		
	2025	2024	2023
Total interest and dividend income	\$ 255,784	\$ 251,700	\$ 228,999
Total interest expense	56,889	62,850	37,927
Net interest income	198,895	188,850	191,072
Provision for credit losses	3,161	3,031	7,573
Net interest income after provision for credit losses	195,734	185,819	183,499
Total noninterest income	38,190	35,571	36,046
Total noninterest expense	129,418	124,007	130,964
Income before income tax expense	104,506	97,383	88,581
Income tax expense	27,498	25,603	22,739
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Adjusted net income ⁽¹⁾	\$ 79,647	\$ 75,002	\$ 78,182
Pre-provision net revenue ⁽¹⁾	\$ 107,667	\$ 100,414	\$ 96,154
Pre-provision net revenue less net charge-offs ⁽¹⁾	105,209	98,656	95,974
Adjusted pre-provision net revenue ⁽¹⁾	111,138	104,920	107,281
Adjusted pre-provision net revenue less net charge-offs ⁽¹⁾	108,680	103,162	107,101
Share and Per Share Information			
Earnings per share - diluted	\$ 2.44	\$ 2.26	\$ 2.07
Adjusted earnings per share - diluted ⁽¹⁾	2.52	2.37	2.46
Weighted average shares of common stock outstanding	31,502,351	31,590,117	31,626,308
Summary Ratios			
Net interest margin	4.13 %	3.96 %	4.09 %
Net interest margin (tax-equivalent basis) ⁽¹⁾⁽²⁾	4.17	4.01	4.15
Yield on loans	6.34	6.36	6.04
Yield on interest-earning assets	5.31	5.28	4.90
Cost of total deposits	1.19	1.30	0.60
Cost of funds	1.28	1.41	0.86
Efficiency ratio	53.44 %	53.99 %	56.49 %
Efficiency ratio (tax-equivalent basis) ⁽¹⁾⁽²⁾	52.95	53.46	55.81
Adjusted efficiency ratio (tax-equivalent basis) ⁽¹⁾⁽²⁾	51.91	52.42	51.68
Return on average assets	1.53 %	1.43 %	1.34 %
Return on average stockholders' equity	13.24	13.93	14.60
Return on average tangible common equity ⁽¹⁾	15.24	16.45	17.63
Adjusted return on average assets ⁽¹⁾	1.58 %	1.50 %	1.59 %
Adjusted return on average stockholders' equity ⁽¹⁾	13.70	14.55	17.34
Adjusted return on average tangible common equity ⁽¹⁾	15.77	17.19	20.94

(1) See "Non-GAAP Financial Information" for reconciliation of non-GAAP measures to their most closely comparable GAAP measures.

(2) On a tax-equivalent basis assuming a federal income tax rate of 21% and a state income tax rate of 9.5%.

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

For the year ended December 31, 2025, net income was \$77.0 million, increasing by \$5.2 million, or 7.3%, when compared to net income for the year ended December 31, 2024. Notable changes include the following:

- A \$10.0 million increase in net interest income, primarily attributable to lower funding costs, higher yields on debt securities, and higher average loan balances;
- A \$0.2 million loss on sales of securities included in the 2025 results, compared to a \$3.7 million of loss on sales of securities included in the 2024 results;
- A \$3.4 million increase in salaries and benefits expense, primarily driven by higher medical benefits expenses and annual merit increases;
- A \$1.9 million negative mortgage servicing rights ("MSR") fair value adjustment included in the 2025 results, compared to a \$0.2 million negative MSR fair value adjustment included in the 2024 results;
- A \$1.2 million increase in wealth management fees, primarily driven by higher values of assets under management and an increase in farm management fees;
- CNB acquisition-related expenses of \$1.0 million, primarily related to professional fees and data processing expense; and
- A \$1.9 million increase in income tax expense, primarily due to an increase in pre-tax income as a result of the items noted above.

Net Interest Income

Net interest income equals the excess of interest income on interest earning assets (including discount accretion on acquired loans plus certain loan fees) over interest expense incurred on interest-bearing liabilities. Net interest margin, which is expressed as the percentage of net interest income to average interest-earning assets, is utilized to measure and explain changes in net interest income.

The following table sets forth average balances, average yields and costs, and certain other information. Average balances are daily average balances. Nonaccrual loans are included in the computation of average balances but have been reflected in the table as loans carrying a zero yield. The yields set forth below include the effect of deferred fees and costs as well as purchase accounting adjustments that are accreted or amortized to interest income or expense.

(dollars in thousands)	Year Ended								
	December 31, 2025			December 31, 2024			December 31, 2023		
	Average Balance	Interest	Yield/Cost	Average Balance	Interest	Yield/Cost	Average Balance	Interest	Yield/Cost
ASSETS									
Loans	\$ 3,422,412	\$ 216,821	6.34 %	\$ 3,378,059	\$ 214,863	6.36 %	\$ 3,231,736	\$ 195,197	6.04 %
Debt securities	1,234,378	32,914	2.67	1,200,444	27,903	2.32	1,343,419	29,971	2.23
Deposits with banks	150,323	5,502	3.66	178,436	8,272	4.64	84,544	3,020	3.57
Other	12,554	547	4.36	12,732	662	5.20	15,326	811	5.29
Total interest-earning assets	4,819,667	\$ 255,784	5.31 %	4,769,671	\$ 251,700	5.28 %	4,675,025	\$ 228,999	4.90 %
Allowance for credit losses	(41,970)			(40,694)			(37,504)		
Noninterest-earning assets	270,852			279,106			290,383		
Total assets	\$ 5,048,549			\$ 5,008,083			\$ 4,927,904		
LIABILITIES AND STOCKHOLDERS' EQUITY									
Liabilities									
Interest-bearing deposits:									
Interest-bearing demand	\$ 1,122,357	\$ 6,498	0.58 %	\$ 1,106,136	\$ 5,499	0.50 %	\$ 1,188,680	\$ 3,130	0.26 %
Money market	830,630	18,112	2.18	797,444	18,637	2.34	669,118	7,352	1.10
Savings	567,092	1,540	0.27	584,769	1,621	0.28	661,424	1,033	0.16
Time	775,385	25,539	3.29	757,456	28,183	3.72	481,466	10,784	2.24
Brokered	—	—	—	38,286	2,107	5.50	52,724	2,836	5.38
Total interest-bearing deposits	3,295,464	51,689	1.57	3,284,091	56,047	1.71	3,053,412	25,135	0.82
Securities sold under agreements to repurchase	2,514	22	0.89	30,984	594	1.92	35,450	255	0.72
Borrowings	8,780	203	2.31	13,383	480	3.59	139,817	7,128	5.10
Subordinated notes	27,869	1,326	4.76	39,514	1,879	4.75	39,434	1,879	4.76
Junior subordinated debentures issued to capital trusts	52,879	3,649	6.90	52,819	3,850	7.29	51,489	3,530	6.86
Total interest-bearing liabilities	3,387,506	\$ 56,889	1.68 %	3,420,791	\$ 62,850	1.84 %	3,319,602	\$ 37,927	1.14 %
Noninterest-bearing deposits	1,048,975			1,033,811			1,113,300		
Noninterest-bearing liabilities	30,619			38,113			44,074		
Total liabilities	4,467,100			4,492,715			4,476,976		
Stockholders' Equity	581,449			515,368			450,928		
Total liabilities and stockholders' equity	\$ 5,048,549			\$ 5,008,083			\$ 4,927,904		
Net interest income/Net interest margin ⁽¹⁾	\$ 198,895		4.13 %	\$ 188,850		3.96 %	\$ 191,072		4.09 %
Tax-equivalent adjustment ⁽²⁾	2,203		0.04	2,242		0.05	2,758		0.06
Net interest income (tax-equivalent basis)/ Net interest margin (tax-equivalent basis) ^{(2) (3)}	\$ 201,098		4.17 %	\$ 191,092		4.01 %	\$ 193,830		4.15 %
Net interest rate spread ⁽⁴⁾			3.63 %			3.44 %			3.76 %
Net interest-earning assets ⁽⁵⁾	\$ 1,432,161			\$ 1,348,880			\$ 1,355,423		
Ratio of interest-earning assets to interest-bearing liabilities	1.42			1.39			1.41		
Cost of total deposits			1.19 %			1.30 %			0.60 %
Cost of funds			1.28			1.41			0.86

- (1) Net interest margin represents net interest income divided by average total interest-earning assets.
- (2) On a tax-equivalent basis assuming a federal income tax rate of 21% and a state income tax rate of 9.5%.
- (3) See "Non-GAAP Financial Information" for reconciliation of non-GAAP measure to their most closely comparable GAAP measures.
- (4) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.
- (5) Net interest-earning assets represents total interest-earning assets less total interest-bearing liabilities.

The following table sets forth the components of loan interest income and their contributions to the total loan yield.

	Year Ended December 31,					
	2025		2024		2023	
	Interest	Yield Contribution	Interest	Yield Contribution	Interest	Yield Contribution
<i>(dollars in thousands)</i>						
Contractual interest	\$ 206,163	6.03 %	\$ 205,031	6.07 %	\$ 185,772	5.75 %
Loan fees	5,600	0.16	4,265	0.13	4,586	0.14
Accretion of acquired loan discounts	3,868	0.11	4,450	0.13	4,136	0.13
Nonaccrual interest recoveries	1,190	0.04	1,117	0.03	703	0.02
Total loan interest income	\$ 216,821	6.34 %	\$ 214,863	6.36 %	\$ 195,197	6.04 %

The following table sets forth the components of net interest income and their contributions to the net interest margin.

	Year Ended December 31,					
	2025		2024		2023	
	Interest	Net Interest Margin Contribution	Interest	Net Interest Margin Contribution	Interest	Net Interest Margin Contribution
<i>(dollars in thousands)</i>						
Interest income:						
Contractual interest on loans	\$ 206,163	4.28 %	\$ 205,031	4.30 %	\$ 185,772	3.97 %
Loan fees	5,600	0.12	4,265	0.09	4,586	0.10
Accretion of acquired loan discounts	3,868	0.08	4,450	0.09	4,136	0.09
Nonaccrual interest recoveries	1,190	0.03	1,117	0.02	703	0.02
Debt securities	32,914	0.68	27,903	0.59	29,971	0.64
Interest-bearing deposits in bank	5,502	0.11	8,272	0.18	3,020	0.06
Other	547	0.01	662	0.01	811	0.02
Total interest income	255,784	5.31	251,700	5.28	228,999	4.90
Interest expense:						
Deposits	51,689	1.07	56,047	1.18	25,135	0.54
Other interest-bearing liabilities	5,200	0.11	6,803	0.14	12,792	0.27
Total interest expense	56,889	1.18	62,850	1.32	37,927	0.81
Net interest income	198,895	4.13	188,850	3.96	191,072	4.09
Tax-equivalent adjustment ⁽¹⁾	2,203	0.04	2,242	0.05	2,758	0.06
Net interest income (tax-equivalent) ^{(1) (2)}	\$ 201,098	4.17 %	\$ 191,092	4.01 %	\$ 193,830	4.15 %

(1) On a tax-equivalent basis assuming a federal income tax rate of 21% and a state income tax rate of 9.5%.

(2) See "Non-GAAP Financial Information" for reconciliation of non-GAAP measure to their most closely comparable GAAP measures.

Rate/Volume Analysis

The following table sets forth the dollar amount of changes in interest income and interest expense for the major categories of our interest-earning assets and interest-bearing liabilities. Information is provided for each category of interest-earning assets and interest-bearing liabilities with respect to changes attributable to volume (*i.e.*, changes in average balances multiplied by the prior-period average rate), and changes attributable to rate (*i.e.*, changes in average rate multiplied by prior-period average balances). For purposes of this table, changes attributable to both volume and rate that cannot be segregated have been allocated proportionately to the change due to volume and the change due to rate.

(dollars in thousands)	Year Ended December 31, 2025 vs. Year Ended December 31, 2024			Year Ended December 31, 2024 vs. Year Ended December 31, 2023		
	Increase (Decrease) Due to		Total	Increase (Decrease) Due to		Total
	Volume	Rate		Volume	Rate	
Interest-earning assets:						
Loans	\$ 2,813	\$ (855)	\$ 1,958	\$ 9,054	\$ 10,612	\$ 19,666
Debt securities	807	4,204	5,011	(3,286)	1,218	(2,068)
Deposits with banks	(1,186)	(1,584)	(2,770)	4,141	1,111	5,252
Other	(9)	(106)	(115)	(136)	(13)	(149)
Total interest-earning assets	2,425	1,659	4,084	9,773	12,928	22,701
Interest-bearing liabilities:						
Interest-bearing deposits:						
Interest-bearing demand	82	917	999	(231)	2,600	2,369
Money market	756	(1,281)	(525)	1,641	9,644	11,285
Savings	(49)	(32)	(81)	(132)	720	588
Time	654	(3,298)	(2,644)	8,080	9,319	17,399
Brokered	(2,107)	—	(2,107)	(794)	65	(729)
Total interest-bearing deposits	(664)	(3,694)	(4,358)	8,564	22,348	30,912
Securities sold under agreements to repurchase	(361)	(211)	(572)	(36)	375	339
Borrowings	(136)	(141)	(277)	(5,008)	(1,640)	(6,648)
Subordinated notes	(554)	1	(553)	4	(4)	—
Junior subordinated debentures issued to capital trusts	4	(205)	(201)	93	227	320
Total interest-bearing liabilities	(1,711)	(4,250)	(5,961)	3,617	21,306	24,923
Change in net interest income	\$ 4,136	\$ 5,909	\$ 10,045	\$ 6,156	\$ (8,378)	\$ (2,222)

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

Net interest income for the year ended December 31, 2025 was \$198.9 million, increasing \$10.0 million, or 5.3%, when compared to the year ended December 31, 2024. The increase is primarily attributable to lower funding costs, higher yields on debt securities, and higher average loan balances. Additionally, a \$1.4 million increase in loan fees and nonaccrual interest recoveries was partially offset by a \$0.6 million decrease in acquired loan discount accretion.

Net interest margin increased to 4.13% for the year ended December 31, 2025, compared to 3.96% for the year ended December 31, 2024. The increase was primarily attributable to a decrease in funding costs and higher yields on debt securities. Additionally, the increase in the contribution of loan fees and nonaccrual interest recoveries accounted for 4 basis points of the increase in net interest margin and were partially offset by a 1 basis point decrease in the contribution from acquired loan discount accretion.

The quarterly net interest margins were as follows:

	2025	2024	2023
Three months ended:			
March 31	4.12 %	3.94 %	4.20 %
June 30	4.14	3.95	4.16
September 30	4.13	3.98	4.07
December 31	4.12	3.96	3.93

In early 2024, our net interest margin was relatively stable, with increases in our loans and debt securities yields being mostly offset by increases in funding costs. In September 2024, the Federal Open Market Committee ("FOMC") began lowering interest rates, with the target range for the federal funds rate decreasing by 100 basis points to a range of 4.25% to 4.50% by the end of 2024. The FOMC paused further interest rate cuts until September 2025, and then resumed with three 25 basis point reductions during the remainder of 2025 with the target range for the federal funds rate set to a range of 3.50% to 3.75% as of December 31, 2025. These changes have contributed to a decrease in funding costs and yields on variable rate loans while maturing fixed rate loans and securities continued to reprice at higher rates, driving our net interest margin higher during 2025, relative to 2024.

Decreases in market interest rates, and potential future decreases, may put downward pressure on our net interest margin, as the negative impact on floating rate loans may not be fully offset by the positive impacts of maturing fixed rate loans and securities repricing at higher rates or potential decreases in deposit costs. Generally, we expect increases in market interest rates will increase our net interest income and net interest margin in future periods, while decreases in market interest rates may decrease our net interest income and net interest margin in future periods; however, this depends upon the timing and extent of both short-term and long-term interest rate fluctuations and may not always be the case.

Provision for Credit Losses

The following table sets forth the components of provision for credit losses for the years indicated:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
PROVISION FOR CREDIT LOSSES			
Loans	\$ 2,104	\$ 3,754	\$ 6,665
Unfunded lending-related commitments	1,057	(723)	908
Total provision for credit losses	\$ 3,161	\$ 3,031	\$ 7,573

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

The Company recorded a provision for credit losses of \$3.2 million for the year ended December 31, 2025, compared to a \$3.0 million provision during the year ended December 31, 2024. The 2025 provision for credit losses primarily reflects a \$2.2 million increase in required reserves driven by changes within the portfolio; a \$1.1 million increase in required reserves resulting from changes in qualitative factors; an \$0.8 million increase in required reserves resulting from changes in economic forecasts; and a \$0.9 million decrease in specific reserves.

The provision for credit losses is highly dependent on current and forecast economic conditions. Potential deterioration of economic conditions may lead to higher credit losses and adversely impact our financial condition and results of operations. The economic forecasts utilized in estimating the allowance for credit losses on loans and unfunded lending-related commitments include the unemployment rate and changes in GDP as macroeconomic variables, although other economic metrics are considered on a qualitative basis.

Noninterest Income

The following table sets forth the major categories of noninterest income for the years indicated:

<i>(dollars in thousands)</i>	Year Ended December 31,				Year Ended December 31,			
	2025	2024	\$ Change	% Change	2024	2023	\$ Change	% Change
Card income	\$ 10,785	\$ 11,051	\$ (266)	(2.4)%	\$ 11,051	\$ 11,043	\$ 8	0.1 %
Wealth management fees	12,147	10,978	1,169	10.6	10,978	9,883	1,095	11.1
Service charges on deposit accounts	8,040	7,932	108	1.4	7,932	7,846	86	1.1
Mortgage servicing	4,113	4,437	(324)	(7.3)	4,437	4,678	(241)	(5.2)
Mortgage servicing rights fair value adjustment	(1,883)	(174)	(1,709)	NM	(174)	(1,615)	1,441	NM
Gains on sale of mortgage loans	1,477	1,611	(134)	(8.3)	1,611	1,526	85	5.6
Realized gains (losses) on sales of securities	(200)	(3,697)	3,497	NM	(3,697)	(1,820)	(1,877)	NM
Unrealized gains (losses) on equity securities	7	(59)	66	NM	(59)	160	(219)	NM
Gains (losses) on foreclosed assets	4	22	(18)	(81.8)	22	501	(479)	(95.6)
Gains (losses) on other assets	(85)	(635)	550	NM	(635)	166	(801)	NM
Income on bank owned life insurance	671	915	(244)	(26.7)	915	573	342	59.7
Other noninterest income	3,114	3,190	(76)	(2.4)	3,190	3,105	85	2.7
Total	\$ 38,190	\$ 35,571	\$ 2,619	7.4 %	\$ 35,571	\$ 36,046	\$ (475)	(1.3)%

NM Not meaningful.

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

Total noninterest income for the year ended December 31, 2025, was \$38.2 million, an increase of \$2.6 million, or 7.4%, from the year ended December 31, 2024. Notable changes in noninterest income include the following:

- A \$0.2 million loss on sales of securities included in the 2025 results, compared to a \$3.7 million of loss on sales of securities included in the 2024 results;
- A \$1.9 million negative MSR fair value adjustment included in the 2025 results, compared to a \$0.2 million negative MSR fair value adjustment included in the 2024 results;
- A \$1.2 million increase in wealth management fees, primarily driven by higher values of assets under management and an increase in farm management fees;
- The absence of \$0.6 million of impairment losses on bank premises related to the closure of two branch premises recognized in the 2024 results; and
- A \$0.2 million decrease in income on bank owned life insurance, primarily attributable to the absence of a \$0.2 million gain on life insurance proceeds recognized in the 2024 results.

Noninterest Expense

The following table sets forth the major categories of noninterest expense for the years indicated:

(dollars in thousands)	Year Ended December 31,				Year Ended December 31,			
	2025	2024	\$ Change	% Change	2024	2023	\$ Change	% Change
Salaries	\$ 66,342	\$ 65,130	\$ 1,212	1.9 %	\$ 65,130	\$ 67,453	\$ (2,323)	(3.4)%
Employee benefits	13,538	11,311	2,227	19.7	11,311	10,037	1,274	12.7
Occupancy of bank premises	10,713	10,293	420	4.1	10,293	9,918	375	3.8
Furniture and equipment	2,280	2,004	276	13.8	2,004	2,790	(786)	(28.2)
Data processing	11,766	11,169	597	5.3	11,169	12,352	(1,183)	(9.6)
Marketing and customer relations	4,183	4,320	(137)	(3.2)	4,320	5,043	(723)	(14.3)
Amortization of intangible assets	2,726	2,839	(113)	(4.0)	2,839	2,670	169	6.3
Loss on extinguishment of debt	391	—	391	NM	—	—	—	NM
FDIC insurance	2,234	2,254	(20)	(0.9)	2,254	2,280	(26)	(1.1)
Loan collection and servicing	1,346	2,056	(710)	(34.5)	2,056	1,402	654	46.6
Foreclosed assets	169	109	60	55.0	109	251	(142)	(56.6)
Other noninterest expense	13,730	12,522	1,208	9.6	12,522	16,768	(4,246)	(25.3)
Total	\$ 129,418	\$ 124,007	\$ 5,411	4.4 %	\$ 124,007	\$ 130,964	\$ (6,957)	(5.3)%

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

Total noninterest expense for the year ended December 31, 2025, was \$129.4 million, an increase of \$5.4 million, or 4.4%, from the year ended December 31, 2024. Notable changes in noninterest expense include the following:

- A \$2.2 million increase in employee benefits expense, primarily driven by higher medical benefits cost;
- A \$1.2 million increase in salaries expense, primarily driven by annual merit increases;
- A \$1.2 million increase in other noninterest expense, primarily related to higher legal and professional fees driven primarily by \$0.6 million of CNB acquisition-related expenses;
- A \$0.6 million increase in data processing expense, primarily related to \$0.4 million of CNB acquisition-related expenses as well as a planned call center software upgrade;
- A \$0.4 million increase in bank occupancy expense, primarily due to planned building maintenance and upgrades; and
- A \$0.4 million loss on the extinguishment of debt associated with the early payoff of \$40.0 million of subordinated notes in September 2025.

Income Taxes

During the years ended December 31, 2025 and 2024, we recorded income tax expense of \$27.5 million, or an effective tax rate of 26.3%, and \$25.6 million, or an effective tax rate of 26.3%, respectively. During 2025, we recognized \$0.3 million of additional tax expense during the second quarter of 2025, related to the nonrecurring reversal of a stranded tax effect included in accumulated other comprehensive income, in connection with the maturity of a derivative designated as a cash flow hedge. During 2024, we recognized an additional \$0.5 million of tax expense for a deferred tax asset write-down, as a result of an Illinois tax law change.

FINANCIAL CONDITION

<i>(dollars in thousands, except per share data)</i>	December 31, 2025	December 31, 2024	\$ Change	% Change
Cash and cash equivalents	\$ 122,269	\$ 137,692	\$ (15,423)	(11.2)%
Debt securities available-for-sale, at fair value	813,101	698,049	115,052	16.5
Debt securities held-to-maturity	458,746	499,858	(41,112)	(8.2)
Loans held for sale	1,263	1,586	(323)	(20.4)
Loans, before allowance for credit losses	3,456,209	3,466,146	(9,937)	(0.3)
Less: allowance for credit losses	41,690	42,044	(354)	(0.8)
Loans, net of allowance for credit losses	3,414,519	3,424,102	(9,583)	(0.3)
Goodwill	59,820	59,820	—	—
Intangible assets, net	15,117	17,843	(2,726)	(15.3)
Other assets	186,555	193,952	(7,397)	(3.8)
Total assets	\$ 5,071,390	\$ 5,032,902	\$ 38,488	0.8 %
Total deposits	\$ 4,359,263	\$ 4,318,254	\$ 41,009	0.9 %
Securities sold under agreements to repurchase	—	28,969	(28,969)	(100.0)
Borrowings	12,301	13,231	(930)	(7.0)
Subordinated notes	—	39,553	(39,553)	(100.0)
Junior subordinated debentures	52,909	52,849	60	0.1
Other liabilities	31,419	35,441	(4,022)	(11.3)
Total liabilities	4,455,892	4,488,297	(32,405)	(0.7)
Total stockholders' equity	615,498	544,605	70,893	13.0
Total liabilities and stockholders' equity	\$ 5,071,390	\$ 5,032,902	\$ 38,488	0.8 %
Tangible assets ⁽¹⁾	\$ 4,996,453	\$ 4,955,239	\$ 41,214	0.8 %
Tangible common equity ⁽¹⁾	540,561	466,942	73,619	15.8
Core deposits ⁽¹⁾	\$ 4,157,898	\$ 4,116,058	\$ 41,840	1.0 %
Share and Per Share Information				
Book value per share	\$ 19.58	\$ 17.26	\$ 2.32	13.4 %
Tangible book value per share ⁽¹⁾	17.20	14.80	2.40	16.2
Shares of common stock outstanding	31,431,924	31,559,366		
Balance Sheet Ratios				
Loan to deposit ratio	79.28 %	80.27 %		
Core deposits to total deposits ⁽¹⁾	95.38	95.32		
Stockholders' equity to total assets	12.14	10.82		
Tangible common equity to tangible assets ⁽¹⁾	10.82	9.42		

(1) See "Non-GAAP Financial Information" for reconciliation of non-GAAP measure to their most closely comparable GAAP measures.

Notable changes in our consolidated balance sheet include the following:

- A \$73.9 million increase in debt securities, primarily attributable to a reinvestment of cash flows from loans into debt securities and a \$30.5 million increase in the fair value of debt securities available-for-sale;
- A \$41.0 million increase in deposits was primarily attributable to a vast majority of repurchase agreement account balances being transitioned to reciprocal interest-bearing demand deposit accounts during 2025;
- The \$39.6 million of subordinated notes outstanding at December 31, 2024 were paid off in September 2025; and
- A \$9.9 million decrease in loans with increases in the multi-family and commercial real estate - non-owner occupied segments being offset by decreases in the construction and land development and commercial and industrial segments.

Loan Portfolio

The following table sets forth the composition of the loan portfolio, excluding loans held-for-sale, by type of loan.

<i>(dollars in thousands)</i>	December 31, 2025		December 31, 2024	
	Balance	Percent	Balance	Percent
Commercial and industrial	\$ 399,760	11.6 %	\$ 428,389	12.4 %
Commercial real estate - owner occupied	320,434	9.3	322,316	9.3
Commercial real estate - non-owner occupied	937,094	27.0	899,565	25.9
Construction and land development	280,254	8.1	374,657	10.8
Multi-family	544,941	15.8	431,524	12.4
One-to-four family residential	445,463	12.9	463,968	13.4
Agricultural and farmland	275,251	8.0	293,375	8.5
Municipal, consumer, and other	253,012	7.3	252,352	7.3
Loans, before allowance for credit losses	3,456,209	100.0 %	3,466,146	100.0 %
Allowance for credit losses	(41,690)		(42,044)	
Loans, net of allowance for credit losses	\$ 3,414,519		\$ 3,424,102	

Loans, before allowance for credit losses were \$3.46 billion at December 31, 2025, a decrease of \$9.9 million, or 0.3%, from December 31, 2024. Notable changes include the following:

- A \$113.4 million increase in multi-family loans and a \$37.5 million increase in commercial real estate – non-owner occupied loans, primarily attributable to new originations as well as completed construction projects transferred from the construction and land development category, partially offset by early payoffs;
- A \$94.4 million decrease in construction and land development loans, primarily attributable to transfers of completed projects into other categories, as well as payoffs from property sales and refinancings;
- A \$28.6 million decrease in commercial and industrial loans, primarily attributable to reduced line of credit usage and payoffs from refinancings.

Commercial Real Estate Portfolios

Commercial real estate – owner occupied loans are primarily made based on the identified cash flows of the borrower and secondarily on the underlying collateral provided by the borrower. The commercial real estate – owner occupied portfolio composition, segmented by the owner’s business classification, as of December 31, 2025 was as follows:

	December 31, 2025	
	Balance	Substandard Risk Rating
<i>(dollars in thousands)</i>		
Manufacturing	\$ 49,620	\$ 326
Auto repair and dealers	33,637	228
Health care and social assistance	33,079	1,368
Real estate, rental, and leasing	33,027	387
Retail trade	29,531	—
Grain elevators	25,284	457
Accommodation and food services	21,806	327
Construction	16,064	974
Wholesale trade	13,853	—
Other services (except public administration)	13,014	248
Administrative and support services	10,501	—
Arts, entertainment, and recreation	9,341	1,636
Education services	6,162	1,146
Agriculture, forestry, fishing, and hunting	6,115	—
Professional, scientific, and technical services	5,512	51
Finance and insurance	2,966	—
Other	10,922	—
Total	\$ 320,434	\$ 7,148

Commercial real estate – non-owner occupied loans are primarily made based on projected cash flows from the rental or sale of the underlying collateral. The commercial real estate – non-owner occupied portfolio composition, segmented by the property type, as of December 31, 2025 was as follows:

	December 31, 2025		
	Balance	Substandard Risk Rating	Weighted Average LTV ⁽¹⁾
<i>(dollars in thousands)</i>			
Retail	\$ 197,992	\$ 7,379	54 %
Warehouse and manufacturing	179,971	—	54
Office	168,679	—	57
Senior Living	128,183	4,122	62
Hotel	81,549	2,514	53
Mixed use (commercial and residential)	69,448	—	62
Medical office	31,810	—	57
Gas station	26,684	—	58
Auto repair and dealers	21,390	—	54
Restaurant and bar	11,711	—	58
Other	19,677	—	57
Total	\$ 937,094	\$ 14,015	56 %

(1) Weighted average LTV is based on the most recent appraisals available, which are generally obtained at the time of origination.

Multi-family loans totaled \$544.9 million as of December 31, 2025, and are primarily made based on projected cash flows from the rental of the underlying collateral. As of December 31, 2025, multi-family loans had a weighted average LTV of 58%, based on the most recent appraisals available, which are generally obtained at the time of origination.

Construction and land development loans totaled \$280.3 million as of December 31, 2025. The majority of these loans consist of multi-family and one-to-four family residential construction projects either to be sold upon completion or held for long-term investment, but also include other property types that may be rented, sold, or owner occupied upon completion. Construction and land development loans are primarily based on projected cash flows from the rental or sale of the underlying collateral, or based on the identified cash flows of the borrower.

Management's disciplined approach to credit risk management is exercised through portfolio diversification, robust underwriting policies, and routine loan monitoring practices in order to identify and mitigate any credit weakness as early as possible. Management continually monitors and evaluates commercial real estate concentrations by property class, industry, and relative to the Bank's regulatory capital to remain in line with board-established limits and adapt to changing industry conditions. A centralized credit underwriting group, independent of the originating lender, evaluates a vast majority of the commercial exposures over \$750 thousand annually, if not more frequently, through a standardized credit review process to ensure uniform application of policies and procedures as well as analyze credit performance. All loans require appropriate internal approval, with a centralized credit approval group reviewing the vast majority of exposures over \$500 thousand. Additionally, more than 45% of loan commitments are reviewed on a rolling 24 month basis between a robust internal review process and an annual third-party review of a sample of the portfolio.

For commercial real estate – non-owner occupied and multi-family loans over \$1 million, we evaluate, on a quarterly basis, the impact of current interest rates on the underlying cash flows of the properties securing these loans, based on the most recent cash flow data available. Individual credits with a maturity scheduled within the next five quarters that are presenting stress under current renewal terms are identified, so that ample time is available to develop solutions to manage credit risk. This testing is completed in addition to the various sensitivity testing completed at the initial extension of credit.

Loan Portfolio Maturities

The following table summarizes the scheduled maturities of the loan portfolio as of December 31, 2025. Demand loans (loans having no stated repayment schedule or maturity) and overdraft loans are reported as being due in one year or less.

<i>(dollars in thousands)</i>	1 Year or Less	After 1 Year Through 5 Years	After 5 Years Through 15 Years	After 15 Years	Total
Commercial and industrial	\$ 204,365	\$ 143,021	\$ 52,374	\$ —	\$ 399,760
Commercial real estate - owner occupied	39,372	190,533	73,777	16,752	320,434
Commercial real estate - non-owner occupied	230,756	589,614	103,181	13,543	937,094
Construction and land development	148,504	121,560	9,220	970	280,254
Multi-family	107,364	391,532	46,045	—	544,941
One-to-four family residential	85,095	158,743	68,497	133,128	445,463
Agricultural and farmland	114,406	129,917	25,881	5,047	275,251
Municipal, consumer, and other	94,335	51,147	72,212	35,318	253,012
Total	\$ 1,024,197	\$ 1,776,067	\$ 451,187	\$ 204,758	\$ 3,456,209

The following table summarizes loans maturing after one year, segregated into variable and fixed interest rates.

<i>(dollars in thousands)</i>	Variable Interest Rates				Total
	Repricing 1 Year or Less	Repricing After 1 Year	Total Variable Interest Rates	Predetermined (Fixed) Interest Rates	
Commercial and industrial	\$ 54,376	\$ 3,544	\$ 57,920	\$ 137,475	\$ 195,395
Commercial real estate - owner occupied	55,794	42,589	98,383	182,679	281,062
Commercial real estate - non-owner occupied	112,532	36,416	148,948	557,390	706,338
Construction and land development	46,258	2,128	48,386	83,364	131,750
Multi-family	36,084	40,722	76,806	360,771	437,577
One-to-four family residential	71,947	64,604	136,551	223,817	360,368
Agricultural and farmland	6,354	10,189	16,543	144,302	160,845
Municipal, consumer, and other	13,744	28,671	42,415	116,262	158,677
Total	\$ 397,089	\$ 228,863	\$ 625,952	\$ 1,806,060	\$ 2,432,012

Nonperforming Assets

Our nonperforming loans and nonperforming assets were as follows:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
NONPERFORMING ASSETS		
Nonaccrual	\$ 7,556	\$ 7,652
Past due 90 days or more, still accruing	—	4
Total nonperforming loans	7,556	7,656
Foreclosed assets	1,126	367
Total nonperforming assets	\$ 8,682	\$ 8,023
Nonperforming loans that are wholly or partially guaranteed by the U.S. Government	\$ 2,170	\$ 1,573
Allowance for credit losses	\$ 41,690	\$ 42,044
Loans, before allowance for credit losses	3,456,209	3,466,146
CREDIT QUALITY RATIOS		
Allowance for credit losses to loans, before allowance for credit losses	1.21 %	1.21 %
Allowance for credit losses to nonaccrual loans	551.75	549.45
Allowance for credit losses to nonperforming loans	551.75	549.16
Nonaccrual loans to loans, before allowance for credit losses	0.22	0.22
Nonperforming loans to loans, before allowance for credit losses	0.22	0.22
Nonperforming assets to total assets	0.17	0.16
Nonperforming assets to loans, before allowance for credit losses, and foreclosed assets	0.25	0.23

Total nonperforming assets were \$8.7 million at December 31, 2025, an increase of 8.2%, when compared to \$8.0 million at December 31, 2024. The \$0.7 million increase in nonperforming assets from December 31, 2024 was primarily attributable to an increase in foreclosed assets. Of the \$7.6 million of nonperforming loans held as of December 31, 2025, \$2.2 million are either wholly or partially guaranteed by the U.S. Government.

Risk Classification of Loans

Our risk classifications of loans were as follows:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Pass	\$ 3,241,912	\$ 3,264,396
Pass-watch	131,766	83,947
Special mention	11,788	46,590
Substandard	70,743	71,213
Total	\$ 3,456,209	\$ 3,466,146

Loans rated pass-watch or worse increased \$12.5 million, or 6.2%, from December 31, 2024 to December 31, 2025, primarily attributable to downgrades within the multifamily and commercial real estate - non-owner occupied segments which were partially offset by pay-offs in the construction and land development segment.

Net Charge-offs (Recoveries)

The following table summarizes net charge-offs (recoveries) to average loans by loan category.

(dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
Net charge-offs (recoveries)			
Commercial and industrial	\$ 1,850	\$ 1,300	\$ 369
Commercial real estate - owner occupied	88	(10)	(13)
Commercial real estate - non-owner occupied	—	(586)	(66)
Construction and land development	(69)	(3)	(53)
Multi-family	80	188	(281)
One-to-four family residential	209	(142)	(152)
Agricultural and farmland	(49)	51	(6)
Municipal, consumer, and other	349	960	382
Total	\$ 2,458	\$ 1,758	\$ 180
Average loans			
Commercial and industrial	\$ 421,324	\$ 402,936	\$ 370,255
Commercial real estate - owner occupied	319,690	294,847	290,489
Commercial real estate - non-owner occupied	909,586	886,903	874,661
Construction and land development	329,211	364,138	368,111
Multi-family	465,200	423,532	372,201
One-to-four family residential	451,933	482,984	476,856
Agricultural and farmland	276,849	285,747	254,106
Municipal, consumer, and other	248,619	236,972	225,057
Total	\$ 3,422,412	\$ 3,378,059	\$ 3,231,736
Charge-offs (recoveries) to average loans			
Commercial and industrial	0.44 %	0.32 %	0.10 %
Commercial real estate - owner occupied	0.03	—	—
Commercial real estate - non-owner occupied	—	(0.07)	(0.01)
Construction and land development	(0.02)	—	(0.01)
Multi-family	0.02	0.04	(0.08)
One-to-four family residential	0.05	(0.03)	(0.03)
Agricultural and farmland	(0.02)	0.02	—
Municipal, consumer, and other	0.14	0.41	0.17
Total	0.07 %	0.05 %	0.01 %

* Annualized measure.

The net charge-offs (recoveries) to average total loans ratio has remained low for several years. While we believe our continuous credit monitoring and collection efforts have resulted in lower levels of credit losses, we also recognize that substantial federal economic stimulus during the COVID-19 pandemic and the relatively stable economic conditions after the pandemic have also contributed to reduced credit losses.

Additionally, equipment finance loans, which were purchased as part of a pool of loans during 2023, continued to contribute to heightened net charge-offs within the commercial and industrial segment.

Securities

The Company's investment policy emphasizes safety of the principal, liquidity needs, expected returns, cash flow targets, and consistency with our interest rate risk management strategy. The composition and maturities of the debt securities portfolio as of December 31, 2025, are summarized in the following table. Maturities are based on the final contractual payment dates, and do not reflect the impact of prepayments or early redemptions that may occur. Security yields have not been adjusted to a tax-equivalent basis.

	December 31, 2025					
	Available-for-Sale		Held-to-Maturity		Total	
	Amortized Cost	Weighted Average Yield	Amortized Cost	Weighted Average Yield	Amortized Cost	Weighted Average Yield
<i>(dollars in thousands)</i>						
Due in 1 year or less						
U.S. Treasury	\$ 19,992	1.03 %	\$ —	— %	\$ 19,992	1.03 %
U.S. government agency	5,007	1.99	5,000	1.10	10,007	1.55
Municipal	7,131	1.76	2,330	2.83	9,461	2.02
Mortgage-backed:						
Agency residential	987	2.55	—	—	987	2.55
Agency commercial	915	2.41	4,125	2.37	5,040	2.38
Corporate	1,998	6.00	—	—	1,998	6.00
Total	\$ 36,030	1.66 %	\$ 11,455	1.91 %	\$ 47,485	1.72 %
Due after 1 year through 5 years						
U.S. Treasury	\$ 60,067	1.37 %	\$ —	— %	\$ 60,067	1.37 %
U.S. government agency	18,765	2.42	37,385	2.44	56,150	2.43
Municipal	76,302	1.67	15,297	3.21	91,599	1.93
Mortgage-backed:						
Agency residential	7,017	2.77	10,665	2.09	17,682	2.36
Agency commercial	68,923	1.64	132,208	2.13	201,131	1.96
Corporate	18,232	5.32	—	—	18,232	5.32
Total	\$ 249,306	1.94 %	\$ 195,555	2.27 %	\$ 444,861	2.09 %
Due after 5 years through 10 years						
U.S. Treasury	\$ 9,737	1.66 %	\$ —	— %	\$ 9,737	1.66 %
U.S. government agency	18,627	3.62	46,111	2.66	64,738	2.93
Municipal	49,928	1.87	8,653	3.64	58,581	2.13
Mortgage-backed:						
Agency residential	55,541	2.41	—	—	55,541	2.41
Agency commercial	5,885	2.28	92,491	1.89	98,376	1.92
Corporate	41,000	6.11	—	—	41,000	6.11
Total	\$ 180,718	3.18 %	\$ 147,255	2.23 %	\$ 327,973	2.76 %
Due after 10 years						
Municipal	\$ 18,783	2.76 %	\$ 1,934	3.47 %	\$ 20,717	2.83 %
Mortgage-backed:						
Agency residential	301,022	4.53	64,871	3.62	365,893	4.37
Agency commercial	51,281	3.56	37,676	1.97	88,957	2.89
Corporate	4,727	6.10	—	—	4,727	6.10
Total	\$ 375,813	4.33 %	\$ 104,481	3.02 %	\$ 480,294	4.05 %
Total						
U.S. Treasury	\$ 89,796	1.33 %	\$ —	— %	\$ 89,796	1.33 %
U.S. government agency	42,399	2.89	88,496	2.48	130,895	2.61
Municipal	152,144	1.87	28,214	3.33	180,358	2.10
Mortgage-backed:						
Agency residential	364,567	4.17	75,536	3.41	440,103	4.04
Agency commercial	127,004	2.45	266,500	2.03	393,504	2.17
Corporate	65,957	5.89	—	—	65,957	5.89
Total	\$ 841,867	3.26 %	\$ 458,746	2.42 %	\$ 1,300,613	2.97 %

SOURCES OF FUNDS

Deposits

Management continues to focus on growing deposits through the Company's relationship-driven banking philosophy and community-focused marketing programs.

The following table sets forth the distribution of average deposits, by account type:

<i>(dollars in thousands)</i>	Year Ended December 31, 2025			Percent Change in Average Balance 2025 vs. 2024
	Average Balance	Percent of Total Deposits	Weighted Average Cost	
Noninterest-bearing	\$ 1,048,975	24.1 %	— %	1.5 %
Interest-bearing demand	1,122,357	25.8	0.58	1.5
Money market	830,630	19.1	2.18	4.2
Savings	567,092	13.1	0.27	(3.0)
Time	775,385	17.9	3.29	2.4
Brokered	—	—	—	(100.0)
Total deposits	\$ 4,344,439	100.0 %	1.19 %	0.6 %

<i>(dollars in thousands)</i>	Year Ended December 31, 2024			Percent Change in Average Balance 2024 vs. 2023
	Average Balance	Percent of Total Deposits	Weighted Average Cost	
Noninterest-bearing	\$ 1,033,811	23.9 %	— %	(7.1)%
Interest-bearing demand	1,106,136	25.6	0.50	(6.9)
Money market	797,444	18.6	2.34	19.2
Savings	584,769	13.5	0.28	(11.6)
Time	757,456	17.5	3.72	57.3
Brokered	38,286	0.9	5.50	(27.4)
Total deposits	\$ 4,317,902	100.0 %	1.30 %	3.6 %

<i>(dollars in thousands)</i>	Year Ended December 31, 2023		
	Average Balance	Percent of Total Deposits	Weighted Average Cost
Noninterest-bearing	\$ 1,113,300	26.7 %	— %
Interest-bearing demand	1,188,680	28.5	0.26
Money market	669,118	16.1	1.10
Savings	661,424	15.9	0.16
Time	481,466	11.5	2.24
Brokered	52,724	1.3	5.38
Total deposits	\$ 4,166,712	100.0 %	0.60 %

The increase in average deposit balances in 2025 compared to 2024 was primarily attributable to increases in money market accounts and time deposits. While balances continued to shift towards higher cost deposit products, this transition slowed in 2025 relative to 2024. Partially offsetting the increase was a decrease in brokered deposits which were allowed to mature in 2025.

Despite the continued shift towards higher cost deposit products, a reduction in the target range for the federal funds rate during the second half of 2025 contributed to a decrease in funding costs. As a result of these changes, total deposit costs decreased during 2025 compared to 2024.

The following table sets forth time deposits by remaining maturity as of December 31, 2025:

<i>(dollars in thousands)</i>	<u>3 Months or Less</u>	<u>Over 3 through 6 Months</u>	<u>Over 6 through 12 Months</u>	<u>Over 12 Months</u>	<u>Total</u>
Time deposits:					
Amounts less than \$100,000	\$ 110,265	\$ 114,613	\$ 58,550	\$ 33,408	\$ 316,836
Amounts of \$100,000 or more but less than \$250,000	91,367	91,236	46,499	15,184	244,286
Amounts of \$250,000 or more	84,904	86,001	25,069	5,391	201,365
Total time deposits	<u>\$ 286,536</u>	<u>\$ 291,850</u>	<u>\$ 130,118</u>	<u>\$ 53,983</u>	<u>\$ 762,487</u>

As of December 31, 2025 and 2024, the Bank's uninsured deposits were estimated to be \$928.7 million and \$949.4 million, respectively.

Securities Sold Under Agreements to Repurchase

All securities sold under agreements to repurchase are sweep instruments, maturing daily. The securities underlying the agreements are held under our control in safekeeping at third-party financial institutions, and include debt securities.

The following table sets forth information concerning balances and interest rates on our securities sold under agreements to repurchase.

<i>(dollars in thousands)</i>	<u>As of or for the Years Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at end of year	\$ —	\$ 28,969	\$ 42,442
Average balance during year	2,514	30,984	35,450
Average interest rate during year	0.89 %	1.92 %	0.72 %

The vast majority of repurchase agreement account balances were transitioned to reciprocal interest-bearing demand deposit accounts during the first half of 2025.

Borrowings

Deposits are the Bank's primary source of funds for our lending activities and general business purposes. However, we may also obtain advances from the FHLB, purchase federal funds, and engage in overnight borrowing from the Federal Reserve. We may also use these sources of funds as part of our asset liability management process to control our long-term interest rate risk exposure, even if it may increase our short-term cost of funds. Our level of short-term borrowing can fluctuate on a daily basis depending on funding needs and the source of funds to satisfy the needs.

Our use of FHLB advances and other borrowings was elevated during 2023 to fund increases in loan demand and to offset a decrease in deposits. Our use of FHLB advances and other borrowings returned to nominal levels during 2024 and 2025, with loan demand funded primarily through cash flows from the debt securities portfolio.

The following table sets forth information concerning balances and interest rates on our borrowings.

<i>(dollars in thousands)</i>	As of or for the Years Ended December 31,		
	2025	2024	2023
Balance at end of year			
FHLB advances	\$ 12,301	\$ 13,231	\$ 12,623
Federal Reserve discount window	—	—	—
Federal funds purchased	—	—	—
Total borrowings	\$ 12,301	\$ 13,231	\$ 12,623
Average balance during year			
FHLB advances	\$ 8,769	\$ 13,301	\$ 139,554
Federal Reserve discount window	—	—	3
Federal funds purchased	11	82	260
Total borrowings	\$ 8,780	\$ 13,383	\$ 139,817
Average interest rate during year			
FHLB advances	2.31 %	3.57 %	5.10 %
Federal Reserve discount window	—	—	5.25
Federal funds purchased	3.28	5.93	5.56
Total borrowings	2.31	3.59	5.10

LIQUIDITY**Bank Liquidity**

The overall objective of bank liquidity management is to ensure the availability of sufficient cash funds to meet all financial commitments and to take advantage of investment opportunities. The Bank manages liquidity in order to meet deposit withdrawals on demand or at contractual maturity, to repay borrowings as they mature, and to fund new loans and investments as opportunities arise.

The Bank continuously monitors its liquidity positions to ensure that assets and liabilities are managed in a manner that will meet all of our short-term and long-term cash requirements. The Bank manages its liquidity position to meet our daily cash flow needs, while maintaining an appropriate balance between assets and liabilities to meet the return on investment objectives. The Bank also monitors liquidity requirements in light of interest rate trends, changes in the economy, the scheduled maturity and interest rate sensitivity of the investment and loan portfolios and deposits, and regulatory capital requirements.

As part of the Bank's liquidity management strategy, the Bank is also focused on minimizing costs of liquidity and attempts to decrease these costs by promoting noninterest-bearing and low-cost deposits. While the Bank does not control the types of deposit instruments our clients choose, those choices can be influenced with the rates and the deposit specials offered.

Our on-balance sheet sources of liquidity included cash and cash equivalents as well as unpledged securities which may be sold or pledged as collateral to meet liquidity needs. As of December 31, 2025 and 2024, our on-balance sheet sources of liquidity included the following:

<i>(dollars in thousands)</i>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash and cash equivalents	\$ 122,269	\$ 137,692
Fair value of unpledged securities	845,524	705,106
Total cash and unpledged securities	\$ 967,793	\$ 842,798

Additional sources of liquidity include borrowings from the FHLB, the Federal Reserve discount window, and federal fund lines of credit. Interest is charged on outstanding borrowings at the prevailing market rate. As of December 31, 2025, our current borrowings and additional available borrowing capacity were as follows:

<i>(dollars in thousands)</i>	<u>December 31, 2025</u>	
	<u>Current Balance</u>	<u>Additional Available Capacity</u>
FHLB	\$ 12,301	\$ 1,058,052
Federal Reserve	—	108,840
Federal funds lines of credit	—	80,000
Total	\$ 12,301	\$ 1,246,892

Furthermore, the Bank could utilize brokered deposits as an additional source of liquidity, as needed.

As of December 31, 2025, management believed the current liquidity and available sources of liquidity are adequate to meet all of the reasonably foreseeable short-term and intermediate-term demands of the Bank. As of December 31, 2025, the Bank had no material commitments for capital expenditures.

Holding Company Liquidity

HBT Financial, on an unconsolidated basis (the "Holding Company"), is a corporation separate and apart from the Bank and, therefore, it must provide for its own liquidity. As of December 31, 2025, the Holding Company had cash and cash equivalents of \$11.9 million.

The Holding Company's main source of funding is dividends declared and paid to it by the Bank. Due to state banking laws, the Bank may not declare dividends in any calendar year in an amount that would exceed accumulated retained earnings, after giving effect to any unrecognized losses and bad debts, without the prior approval of the IDFPR. In addition, dividends paid by the Bank to the Holding Company would be prohibited if the effect thereof would cause the Bank's capital to be reduced below applicable minimum capital requirements. Management believes that these limitations will not impact the Holding Company's ability to meet its ongoing short-term cash obligations. During the years ended December 31, 2025 and 2024, the Bank paid \$72.5 million and \$34.0 million in dividends to the Holding Company, respectively.

The liquidity needs of the Holding Company on an unconsolidated basis consist primarily of operating expenses, interest payments on the subordinated notes and junior subordinated debentures, and shareholder distributions in the form of dividends and stock repurchases. During the years ended December 31, 2025 and 2024, holding company operating expenses consisted of interest expense of \$5.0 million and \$5.7 million, respectively, and other operating expenses of \$5.4 million and \$4.1 million, respectively.

Additionally, the Holding Company paid \$26.6 million and \$24.2 million of dividends to stockholders during the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025, management was not aware of any known trends, events or uncertainties that had or were reasonably likely to have a material impact on the Holding Company's liquidity.

As of December 31, 2025, management believed the current liquidity and available sources of liquidity are adequate to meet all of the reasonably foreseeable short-term and intermediate-term demands of the Holding Company. As of December 31, 2025, the Holding Company had no material commitments for capital expenditures.

CAPITAL RESOURCES

The overall objectives of capital management are to ensure the availability of sufficient capital to support loan, deposit and other asset and liability growth opportunities and to maintain capital to absorb unforeseen losses or write-downs that are inherent in the business risks associated with the banking industry. The Company seeks to balance the need for higher capital levels to address such unforeseen risks and the goal to achieve an adequate return on the capital invested by our stockholders.

Regulatory Capital Requirements

The Company and Bank are each subject to various regulatory capital requirements administered by federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the financial statements of the Company and the Bank.

In addition to meeting minimum capital requirements, the Company and the Bank must also maintain a "capital conservation buffer" to avoid becoming subject to restrictions on capital distributions and certain discretionary bonus payments to management. The capital conservation buffer requirement is 2.5% of risk-weighted assets.

As of December 31, 2025 and 2024, the Company and the Bank met all capital adequacy requirements to which they were subject. As of those dates, the Bank was "well capitalized" under the regulatory prompt corrective action provisions.

The following table sets forth actual capital ratios of the Company and the Bank as of the dates indicated, as well as the minimum ratios for capital adequacy purposes with the capital conservation buffer, and the minimum ratios to be well capitalized under regulatory prompt corrective action provisions.

	December 31, 2025	December 31, 2024	For Capital Adequacy Purposes With Capital Conservation Buffer ⁽¹⁾	To Be Well Capitalized Under Prompt Corrective Action Provisions ⁽²⁾
Consolidated HBT Financial, Inc.				
Total Capital (to Risk Weighted Assets)	16.82 %	16.51 %	10.50 %	N/A
Tier 1 Capital (to Risk Weighted Assets)	15.72	14.50	8.50	N/A
Common Equity Tier 1 Capital (to Risk Weighted Assets)	14.42	13.21	7.00	N/A
Tier 1 Capital (to Average Assets)	12.26	11.51	4.00	N/A
Heartland Bank and Trust Company				
Total Capital (to Risk Weighted Assets)	16.52 %	16.11 %	10.50 %	10.00 %
Tier 1 Capital (to Risk Weighted Assets)	15.42	15.10	8.50	8.00
Common Equity Tier 1 Capital (to Risk Weighted Assets)	15.42	15.10	7.00	6.50
Tier 1 Capital (to Average Assets)	12.02	11.98	4.00	5.00

(1) The Tier 1 capital to average assets ratio (known as the "leverage ratio") is not impacted by the capital conservation buffer.

(2) The prompt corrective action provisions are not applicable to bank holding companies.

N/A Not applicable.

As of December 31, 2025, management was not aware of any known trends, events or uncertainties that had or were reasonably likely to have a material impact on the Company's capital resources.

Cash Dividends

The Company paid quarterly cash dividends of \$0.21 per share during 2025, compared to \$0.19 per share during 2024. On January 27, 2026, the Company's Board of Directors increased the quarterly cash dividend by \$0.02 per share to \$0.23 per share.

Stock Repurchase Program

The Company repurchased 199,507 shares of its common stock at a weighted average price of \$22.47 during 2025, compared to 232,803 shares at a weighted average price of \$18.89 during 2024. Repurchases were conducted in compliance with Rule 10b-18 and in compliance with Regulation M under the Exchange Act. On December 16, 2025, the Company's Board of Directors approved a new stock repurchase program which authorizes the Company to repurchase up to \$30.0 million of its common stock. The new stock repurchase program took effect on January 1, 2026, the expiration of the prior stock repurchase program, and expires on January 1, 2027.

OFF-BALANCE SHEET ARRANGEMENTS

As a financial services provider, the Bank routinely is a party to various financial instruments with off-balance sheet risks, such as commitments to extend credit, standby letters of credit, unused lines of credit, commitments to sell loans, and interest rate swaps. While these contractual obligations represent our future cash requirements, a significant portion of commitments to extend credit may expire without being drawn upon. Such commitments are subject to the same credit policies and approval process afforded to loans originated by the Bank. For additional information, see "Note 23 – Commitments and Contingencies" to the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are those that are critical to the portrayal and understanding of the Company's financial condition and results of operations and require management to make assumptions that are difficult, subjective, or complex. These estimates involve judgments, assumptions, and uncertainties that are susceptible to change. In the event that different assumptions or conditions were to prevail, and depending on the severity of such changes, the possibility of a materially different financial condition or materially different results of operations is a reasonable likelihood. Further, changes in accounting standards could impact the Company's critical accounting estimates. The following accounting estimate could be deemed critical:

Allowance for Credit Losses

The allowance for credit losses reflects an estimate of lifetime expected credit losses. Measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts. The allowance for credit losses is established through a provision for credit losses which is charged to expense. Additions to the allowance for credit losses are expected to maintain the adequacy of the total allowance for credit losses. Loan losses are charged off against the allowance for credit losses when the Company determines the loan balance to be uncollectible. Cash received on previously charged off amounts is recorded as a recovery to the allowance for credit losses.

Management uses the discounted cash flow method to estimate expected credit losses for all loan categories, except for consumer loans where the weighted average remaining maturity method is utilized. The Company uses regression analysis of historical internal and peer data to determine which macroeconomic variables are most closely correlated with credit losses, such as the unemployment rate and changes in GDP. Management leverages economic projections from a reputable third party to form its economic forecasts with a reversion to historical averages for periods beyond a reasonable and supportable forecast period.

Nonaccrual loans and loans which do not share risk characteristics with other loans in the pool are individually evaluated to determine expected credit losses.

The allowance for credit losses on unfunded commitments is estimated in the same manner as the associated loans, adjusted for anticipated funding rate.

NON-GAAP FINANCIAL INFORMATION

This Annual Report on Form 10-K contains certain financial information determined by methods other than those in accordance with GAAP. Management believes that it is a standard practice in the banking industry to present these non-GAAP financial measures, and accordingly believes that providing these measures may be useful for peer comparison purposes. These disclosures should not be viewed as substitutes for the results determined to be in accordance with GAAP; nor are they necessarily comparable to non-GAAP financial measures that may be presented by other companies. See our reconciliation of non-GAAP financial measures to their most closely comparable GAAP financial measures below.

Non-GAAP Financial Measure	Definition	How the Measure Provides Useful Information to Investors
Adjusted Net Income	<ul style="list-style-type: none"> • Net income, with the following adjustments: <ul style="list-style-type: none"> - excludes acquisition expenses, including the day 2 provision for credit losses on non-PCD loans and unfunded commitments, - excludes branch closure expenses, - losses on extinguishment of debt, - excludes gains (losses) on closed branch premises, - excludes realized gains (losses) on sales of securities, - excludes mortgage servicing rights fair value adjustment, and - the income tax effect of these pre-tax adjustments. 	<ul style="list-style-type: none"> • Enhances comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects. • We also sometimes refer to ratios that include Adjusted Net Income, such as: <ul style="list-style-type: none"> - Adjusted Return on Average Assets, which is Adjusted Net Income divided by average assets. - Adjusted Return on Average Equity, which is Adjusted Net Income divided by average equity. - Adjusted Earnings Per Share – Basic, which is Adjusted Net Income allocated to common shares divided by weighted average common shares outstanding. - Adjusted Earnings Per Share – Diluted, which is Adjusted Net Income allocated to common shares divided by weighted average common shares outstanding, including all dilutive potential shares. • Adjusted Return on Average Assets is a performance measure utilized in determining executive compensation.
Pre-Provision Net Revenue	<ul style="list-style-type: none"> • Net interest income, plus noninterest income, less noninterest expense. 	<ul style="list-style-type: none"> • Provides investors with information regarding profitability excluding provision for credit losses and income tax expense, which may fluctuate from period to period. • We also sometimes refer to measures that include Pre-Provision Net Revenue, such as: <ul style="list-style-type: none"> - Adjusted Pre-Provision Net Revenue which reflects the adjustments considered in Adjusted Net Income, as necessary. - Pre-Provision Net Revenue Less Charge-offs (Recoveries). - Adjusted Pre-Provision Net Revenue Less Charge-offs (Recoveries) which reflects the adjustments considered in Adjusted Net Income, as necessary. • Adjusted Pre-Provision Net Revenue Less Net Charge-Offs (Recoveries) is a performance measure utilized in determining executive compensation.

Non-GAAP Financial Measure	Definition	How the Measure Provides Useful Information to Investors
Net Interest Income (Tax-Equivalent Basis)	<ul style="list-style-type: none"> Net interest income adjusted for the tax-favored status of tax-exempt loans and securities. ⁽¹⁾ 	<ul style="list-style-type: none"> We believe the tax-equivalent basis is the preferred industry measurement of net interest income. Enhances comparability of net interest income arising from taxable and tax-exempt sources. We also sometimes refer to Net Interest Margin (Tax-Equivalent Basis), which is Net Interest Income (Tax-Equivalent Basis) divided by average interest-earning assets.
Efficiency Ratio (Tax-Equivalent Basis)	<ul style="list-style-type: none"> Noninterest expense less amortization of intangible assets divided by the sum of net interest income (tax-equivalent basis) and noninterest income. ⁽¹⁾ 	<ul style="list-style-type: none"> Provides a measure of productivity in the banking industry. Calculated to measure the cost of generating one dollar of revenue. That is, the ratio is designed to reflect the percentage of one dollar which must be expended to generate that dollar of revenue. We also sometimes refer to Adjusted Efficiency Ratio (Tax-Equivalent Basis) which reflects the adjustments considered in Adjusted Net Income, as necessary. Adjusted Efficiency Ratio (Tax-Equivalent Basis) is a performance measure utilized in determining executive compensation.
Ratio of Tangible Common Equity to Tangible Assets	<ul style="list-style-type: none"> Tangible Common Equity is total stockholders' equity less goodwill and other intangible assets. Tangible Assets is total assets less goodwill and other intangible assets. 	<ul style="list-style-type: none"> Generally used by investors, our management, and banking regulators to evaluate capital adequacy. Facilitates comparison of our earnings with the earnings of other banking organization with varying amounts of goodwill or intangible assets. We also sometimes refer to ratios that include Tangible Common Equity, such as: <ul style="list-style-type: none"> Tangible Book Value Per Share, which is Tangible Common Equity divided by shares of common stock outstanding. Return on Average Tangible Common Equity, which is net income divided by average Tangible Common Equity. Adjusted Return on Average Tangible Common Equity, which is Adjusted Net Income divided by average Tangible Common Equity.
Core Deposits	<ul style="list-style-type: none"> Total deposits, excluding: <ul style="list-style-type: none"> Time deposits of \$250,000 or more, and Brokered deposits 	<ul style="list-style-type: none"> Provides investors with information regarding the stability of the Company's sources of funds. We also sometimes refer to the ratio of Core Deposits to total deposits.

(1) Tax-equivalent basis assuming a federal income tax rate of 21% and a state tax rate of 9.5%.

**Reconciliation of Non-GAAP Financial Measure —
Adjusted Net Income and Adjusted Return on Average Assets**

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Less: adjustments			
Acquisition expenses	(999)	—	(13,691)
Loss on extinguishment of debt	(391)	—	—
Gains (losses) on closed branch premises	2	(635)	75
Realized gains (losses) on sales of securities	(200)	(3,697)	(1,820)
Mortgage servicing rights fair value adjustment	(1,883)	(174)	(1,615)
Total adjustments	(3,471)	(4,506)	(17,051)
Tax effect of adjustments ⁽¹⁾	832	1,284	4,711
Total adjustments after tax effect	(2,639)	(3,222)	(12,340)
Adjusted net income	\$ 79,647	\$ 75,002	\$ 78,182
Average assets	\$ 5,048,549	\$ 5,008,083	\$ 4,927,904
Return on average assets	1.53 %	1.43 %	1.34 %
Adjusted return on average assets	1.58	1.50	1.59

(1) Assumes a federal income tax rate of 21% and a state tax rate of 9.5%, and excludes non-deductible acquisition expenses.

**Reconciliation of Non-GAAP Financial Measure —
Adjusted Earnings Per Share**

<i>(dollars in thousands, except per share amounts)</i>	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Earnings allocated to participating securities ⁽¹⁾	—	—	(36)
Numerator for earnings per share - basic and diluted	\$ 77,008	\$ 71,780	\$ 65,806
Adjusted net income	\$ 79,647	\$ 75,002	\$ 78,182
Earnings allocated to participating securities ⁽¹⁾	—	—	(42)
Numerator for adjusted earnings per share - basic and diluted	\$ 79,647	\$ 75,002	\$ 78,140
Denominator:			
Weighted average common shares outstanding	31,502,351	31,590,117	31,626,308
Dilutive effect of outstanding restricted stock units	108,953	122,363	111,839
Weighted average common shares outstanding, including all dilutive potential shares	31,611,304	31,712,480	31,738,147
Earnings per share - basic	\$ 2.44	\$ 2.27	\$ 2.08
Earnings per share - diluted	\$ 2.44	\$ 2.26	\$ 2.07
Adjusted earnings per share - basic	\$ 2.53	\$ 2.37	\$ 2.47
Adjusted earnings per share - diluted	\$ 2.52	\$ 2.37	\$ 2.46

**Reconciliation of Non-GAAP Financial Measure —
Pre-Provision Net Revenue, Pre-Provision Net Revenue Less Charge-offs (Recoveries),
Adjusted Pre-Provision Net Revenue, and
Adjusted Pre-Provision Net Revenue Less Charge-offs (Recoveries)**

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net interest income	\$ 198,895	\$ 188,850	\$ 191,072
Noninterest income	38,190	35,571	36,046
Noninterest expense	(129,418)	(124,007)	(130,964)
Pre-provision net revenue	107,667	100,414	96,154
Less: adjustments			
Acquisition expenses	(999)	—	(7,767)
Loss on extinguishment of debt	(391)	—	—
Gains (losses) on closed branch premises	2	(635)	75
Realized gains (losses) on sales of securities	(200)	(3,697)	(1,820)
Mortgage servicing rights fair value adjustment	(1,883)	(174)	(1,615)
Total adjustments	(3,471)	(4,506)	(11,127)
Adjusted pre-provision net revenue	\$ 111,138	\$ 104,920	\$ 107,281
Pre-provision net revenue	\$ 107,667	\$ 100,414	\$ 96,154
Less: net charge-offs	2,458	1,758	180
Pre-provision net revenue less net charge-offs	\$ 105,209	\$ 98,656	\$ 95,974
Adjusted pre-provision net revenue	\$ 111,138	\$ 104,920	\$ 107,281
Less: net charge-offs	2,458	1,758	180
Adjusted pre-provision net revenue less net charge-offs	\$ 108,680	\$ 103,162	\$ 107,101

**Reconciliation of Non-GAAP Financial Measure —
Net Interest Income and Net Interest Margin (Tax-Equivalent Basis)**

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net interest income (tax-equivalent basis)			
Net interest income	\$ 198,895	\$ 188,850	\$ 191,072
Tax-equivalent adjustment ⁽¹⁾	2,203	2,242	2,758
Net interest income (tax-equivalent basis) ⁽¹⁾	<u>\$ 201,098</u>	<u>\$ 191,092</u>	<u>\$ 193,830</u>
Net interest margin (tax-equivalent basis)			
Net interest margin	4.13 %	3.96 %	4.09 %
Tax-equivalent adjustment (1)	0.04	0.05	0.06
Net interest margin (tax-equivalent basis) (1)	<u>4.17 %</u>	<u>4.01 %</u>	<u>4.15 %</u>
Average interest-earning assets	\$ 4,819,667	\$ 4,769,671	\$ 4,675,025

(1) On a tax-equivalent basis assuming a federal income tax rate of 21% and a state tax rate of 9.5%.

**Reconciliation of Non-GAAP Financial Measure —
Efficiency Ratio (Tax-Equivalent Basis) and Adjusted Efficiency Ratio (Tax-Equivalent Basis)**

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Total noninterest expense	\$ 129,418	\$ 124,007	\$ 130,964
Less: amortization of intangible assets	2,726	2,839	2,670
Noninterest expense excluding amortization of intangible assets	<u>\$ 126,692</u>	<u>\$ 121,168</u>	<u>\$ 128,294</u>
Less: adjustments to noninterest expense			
Acquisition expenses	999	—	7,767
Loss on extinguishment of debt	391	—	—
Total adjustments to noninterest expense	1,390	—	7,767
Adjusted noninterest expense	<u>\$ 125,302</u>	<u>\$ 121,168</u>	<u>\$ 120,527</u>
Net interest income	\$ 198,895	\$ 188,850	\$ 191,072
Total noninterest income	38,190	35,571	36,046
Operating revenue	<u>237,085</u>	<u>224,421</u>	<u>227,118</u>
Tax-equivalent adjustment ⁽¹⁾	2,203	2,242	2,758
Operating revenue (tax-equivalent basis) ⁽¹⁾	<u>239,288</u>	<u>226,663</u>	<u>229,876</u>
Less: adjustments to noninterest income			
Gains (losses) on closed branch premises	2	(635)	75
Realized gains (losses) on sales of securities	(200)	(3,697)	(1,820)
Mortgage servicing rights fair value adjustment	(1,883)	(174)	(1,615)
Total adjustments to noninterest income	(2,081)	(4,506)	(3,360)
Adjusted operating revenue (tax-equivalent basis) ⁽¹⁾	<u>\$ 241,369</u>	<u>\$ 231,169</u>	<u>\$ 233,236</u>
Efficiency ratio	53.44 %	53.99 %	56.49 %
Efficiency ratio (tax-equivalent basis) ⁽¹⁾	52.95	53.46	55.81
Adjusted efficiency ratio (tax-equivalent basis) ⁽¹⁾	51.91	52.42	51.68

(1) On a tax-equivalent basis assuming a federal income tax rate of 21% and a state tax rate of 9.5%.

**Reconciliation of Non-GAAP Financial Measure —
Ratio of Tangible Common Equity to Tangible Assets and Tangible Book Value Per Share**

<i>(dollars in thousands, except per share data)</i>	December 31, 2025	December 31, 2024
Tangible Common Equity		
Total stockholders' equity	\$ 615,498	\$ 544,605
Less: Goodwill	59,820	59,820
Less: Intangible assets, net	15,117	17,843
Tangible common equity	\$ 540,561	\$ 466,942
Tangible Assets		
Total assets	\$ 5,071,390	\$ 5,032,902
Less: Goodwill	59,820	59,820
Less: Intangible assets, net	15,117	17,843
Tangible assets	\$ 4,996,453	\$ 4,955,239
Total stockholders' equity to total assets	12.14 %	10.82 %
Tangible common equity to tangible assets	10.82	9.42
Shares of common stock outstanding	31,431,924	31,559,366
Book value per share	\$ 19.58	\$ 17.26
Tangible book value per share	17.20	14.80

**Reconciliation of Non-GAAP Financial Measure —
Return on Average Tangible Common Equity, Adjusted Return on Average Stockholders' Equity, and Adjusted Return on Average Tangible Common Equity**

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Average Tangible Common Equity			
Total stockholders' equity	\$ 581,449	\$ 515,368	\$ 450,928
Less: Goodwill	59,820	59,820	57,266
Less: Intangible assets, net	16,437	19,247	20,272
Average tangible common equity	\$ 505,192	\$ 436,301	\$ 373,390
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Adjusted net income	79,647	75,002	78,182
Return on average stockholders' equity	13.24 %	13.93 %	14.60 %
Return on average tangible common equity	15.24	16.45	17.63
Adjusted return on average stockholders' equity	13.70 %	14.55 %	17.34 %
Adjusted return on average tangible common equity	15.77	17.19	20.94

**Reconciliation of Non-GAAP Financial Measure —
Core Deposits**

<i>(dollars in thousands)</i>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Core Deposits		
Total deposits	\$ 4,359,263	\$ 4,318,254
Less: time deposits of \$250,000 or more	201,365	202,196
Less: brokered deposits	—	—
Core deposits	<u>\$ 4,157,898</u>	<u>\$ 4,116,058</u>
Core deposits to total deposits	95.38 %	95.32 %

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Managing risk is an essential part of successfully managing a financial institution. Our most prominent risk exposures are interest rate risk and credit risk.

Interest Rate Risk

Our most significant form of market risk is interest rate risk inherent in the normal course of lending and deposit-taking activities. Interest rate risk is the potential reduction of net interest income as a result of changes in interest rates. Management believes that our ability to successfully respond to changes in interest rates will have a significant impact on our financial results. To that end, management actively monitors and manages our interest rate exposure.

The Company's Asset/Liability Management Committee ("ALCO"), which is authorized by the Company's board of directors, monitors our interest rate sensitivity and makes decisions relating to that process. The ALCO's goal is to structure our asset/liability composition to maximize net interest income while managing interest rate risk so as to minimize the adverse impact of changes in interest rates on net interest income and capital in either a rising or declining interest rate environment. Profitability is affected by fluctuations in interest rates. A sudden and substantial change in interest rates may adversely impact our earnings because the interest rates borne by assets and liabilities do not change at the same speed, to the same extent or on the same basis.

We monitor the impact of changes in interest rates on our net interest income and economic value of equity ("EVE") using rate shock analysis. Net interest income simulations measure the short-term earnings exposure from changes in market rates of interest in a rigorous and explicit fashion. Our current financial position is combined with assumptions regarding future business to calculate net interest income under varying hypothetical rate scenarios. EVE measures our long-term earnings exposure from changes in market rates of interest. EVE is defined as the present value of assets minus the present value of 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.

The base and shock scenarios in the rate shock analysis assume a static balance sheet, static interest rates, no changes to product mix shift, and cash flow reinvestment at current market interest rates. We also make assumptions for our deposit betas and asset prepayments, based on historical experience.

Deposit Betas

Deposit pricing changes are primarily driven by changes in the federal funds rate, with the relationship between deposit rates and federal funds rate defined as deposit beta. We define cumulative deposit beta as the change in our quarterly cost of deposits divided by the change in the upper level of the stated federal funds rate range over a specified period. During the most recent rising rate cycle, which was from the fourth quarter of 2021 through the second quarter of 2024, our cumulative deposit beta was 23.6%. Since the start of the current falling rate cycle, which began with the third quarter of 2024, our cumulative deposit beta has been 13.5%.

Asset Prepayments

We include prepayment assumptions for both our loan and securities portfolios, based on historical experience. Generally, mortgage portfolio prepayments increase in lower rate environments, while commercial and consumer portfolios have historically remained more consistent throughout rate cycles.

The following table sets forth the estimated impact on our EVE and net interest income of immediate and parallel changes in interest rates at the specified levels.

Change in Interest Rates (basis points)	Estimated Increase (Decrease) in EVE	Increase (Decrease) in Estimated Net Interest Income	
		Year 1	Year 2
December 31, 2025			
+400	25.3 %	4.9 %	14.7 %
+300	20.7	4.2	11.8
+200	14.8	3.7	9.0
+100	8.0	2.2	5.0
-100	(9.1)	(4.0)	(7.3)
-200	(16.6)	(4.1)	(11.3)
-300	(9.2)	(5.3)	(16.9)
-400	0.6	(5.5)	(18.0)
December 31, 2024			
+400	22.0 %	4.9 %	11.3 %
+300	18.3	3.9	9.0
+200	13.4	3.2	6.7
+100	7.3	2.0	3.8
-100	(9.1)	(4.2)	(6.2)
-200	(20.3)	(5.5)	(10.2)
-300	(22.1)	(5.7)	(14.0)
-400	(14.1)	(5.8)	(15.9)

Certain shortcomings are inherent in the methodology used in the above interest rate risk measurements. Modeling changes in EVE and net interest income requires that we make certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. The EVE and net interest income table presented above assumes that the composition of our interest-rate-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and, accordingly, the data does 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 based on local competitive factors, which could change the actual impact on EVE and net interest income. The table also assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration to maturity or the repricing characteristics of specific assets and liabilities. Accordingly, although the EVE and net interest income table provides an indication of our sensitivity to interest rate changes at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on our net interest income and will differ from 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 manage credit risk in the loan portfolio by adhering to well-defined underwriting criteria and account administration standards established by management. Our loan policy documents underwriting standards, approval levels, exposure limits and other limits or standards deemed necessary and prudent. Portfolio diversification at the borrower, industry, and product levels is actively managed to mitigate concentration risk. In addition, credit risk management also includes an independent loan review process that assesses compliance with loan policy, compliance with loan documentation standards, accuracy of the risk rating and overall credit quality of the loan portfolio.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

HBT FINANCIAL, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of HBT Financial, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of HBT Financial, Inc. and Subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes to the consolidated financial statements (collectively, 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 three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013, and our report dated March 6, 2026, expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

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 PCAOB and are required to be independent with respect to the Company in accordance with 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. 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.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses—Loans

As described in Notes 1 and 4 to the financial statements, the Company's allowance for credit losses totaled \$41.7 million, which consists of a reserve on loans collectively evaluated for impairment of \$39.6 million and a reserve on loans individually evaluated of \$2.1 million at December 31, 2025. The allowance for credit losses is measured on a collective loan pool basis when similar risk characteristics exist. A loan may be evaluated on an individual basis based on disparate risk characteristics. Management estimates the allowance for credit losses for pooled loans utilizing a discounted cash flow (DCF) method or weighted average remaining maturity (WARM) method. The DCF method estimates future cash flows, adjusted to present value, after factoring in adjustments for prepayments, probability of default, loss given default, and time to recovery. The WARM method estimates expected losses through application of the Company's historical losses. The measurement of expected credit losses on collectively evaluated loans is based on relevant information about past events, current conditions and reasonable and supportable forecasts that affect the collectability of the amortized cost basis. Adjustments to historical loss information (qualitative adjustments) are made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as for changes in environmental conditions. The calculation also contemplates that the Company may not be able to make or obtain such forecasts for the entire life of the financial assets and employs a reversion to historical credit loss information. The development of estimated reasonable and supportable forecasts, and qualitative adjustments are inherently subjective as they require estimates that are susceptible to significant revision as more information becomes available.

We identified the judgment in developing appropriate assumptions on which to base expected losses from economic forecasts, and certain qualitative factors as a critical audit matter, as auditing these significant assumptions required significant auditor judgment as amounts determined by management rely on analysis that is highly subjective and includes estimates that are highly sensitive to change.

Our audit procedures related to the significant assumptions include the following, among others:

- We obtained an understanding of the relevant controls related to the evaluation and establishment, review and approval of the economic forecasts and qualitative factors, and tested such controls for design and implementation and operating effectiveness, including management's review of the allowance in support of adjustments.
- We evaluated the relevance and accuracy of data inputs used as a basis for the adjustments related to the economic forecast and certain qualitative factors, and tested the completeness and accuracy of the data utilized by comparing to internal and external source data.
- We evaluated the directional consistency and magnitude of the resulting adjustments in the allowance for credit losses for loans, as compared to internal and external independent source data, and how the data correlated with past events, current conditions, and reasonable and supportable forecasts.

/s/ RSM US LLP

We have served as the Company's auditor since 2017.

Chicago, Illinois
March 6, 2026

HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

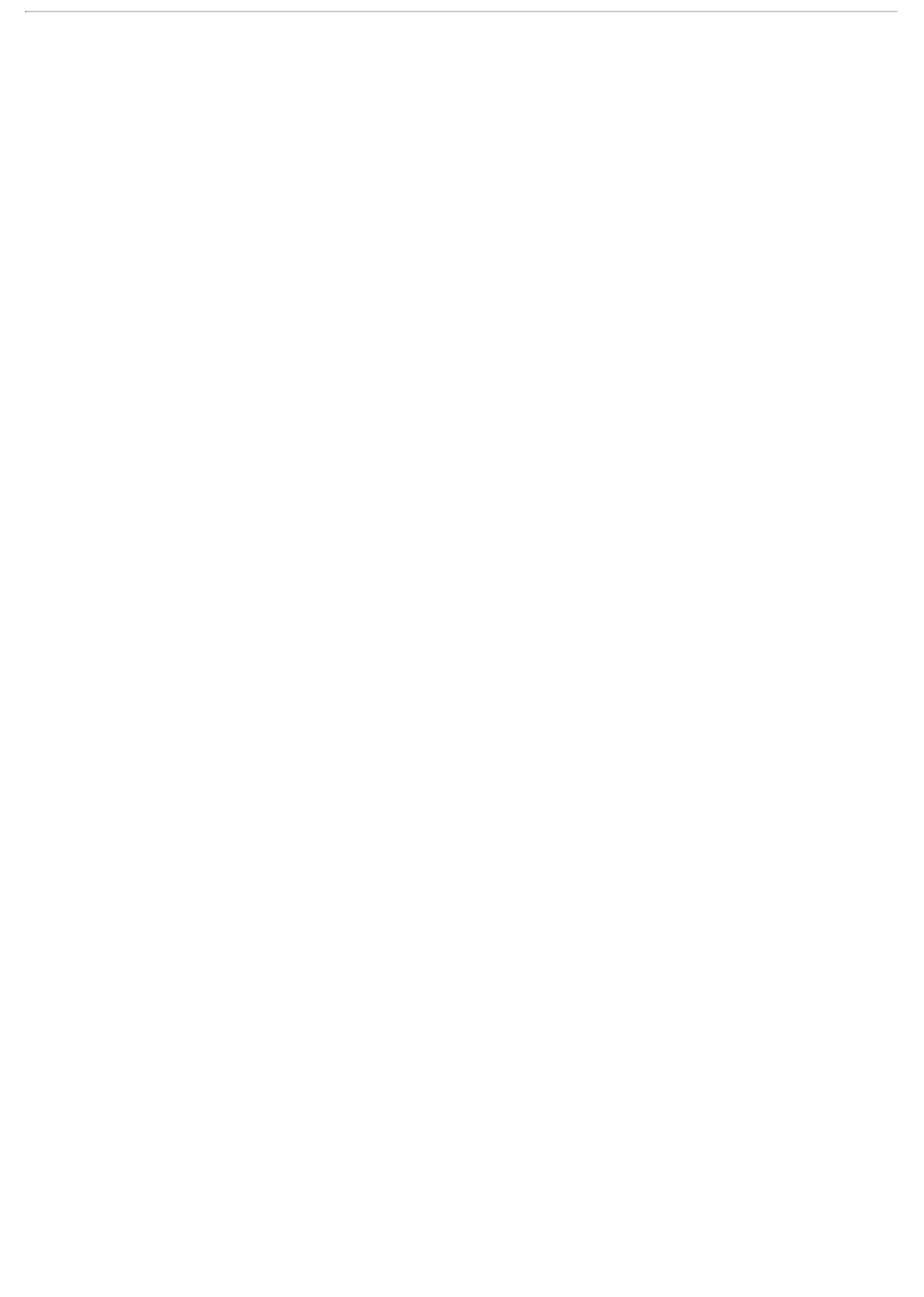
<i>(dollars in thousands, except per share data)</i>	December 31, 2025	December 31, 2024
ASSETS		
Cash and due from banks	\$ 24,423	\$ 29,552
Interest-bearing deposits with banks	97,846	108,140
Cash and cash equivalents	122,269	137,692
Debt securities available-for-sale, at fair value	813,101	698,049
Debt securities held-to-maturity (fair value of \$426,799 at 2025 and \$445,186 at 2024)	458,746	499,858
Equity securities with readily determinable fair value	3,322	3,315
Equity securities with no readily determinable fair value	2,612	2,629
Restricted stock, at cost	4,979	5,086
Loans held for sale	1,263	1,586
Loans, before allowance for credit losses	3,456,209	3,466,146
Allowance for credit losses	(41,690)	(42,044)
Loans, net of allowance for credit losses	3,414,519	3,424,102
Bank owned life insurance	24,660	23,989
Bank premises and equipment, net	73,642	66,758
Bank premises held for sale	—	317
Foreclosed assets	1,126	367
Goodwill	59,820	59,820
Intangible assets, net	15,117	17,843
Mortgage servicing rights, at fair value	16,944	18,827
Investments in unconsolidated subsidiaries	1,614	1,614
Accrued interest receivable	23,779	24,770
Other assets	33,877	46,280
Total assets	\$ 5,071,390	\$ 5,032,902
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Deposits:		
Noninterest-bearing	\$ 1,049,043	\$ 1,046,405
Interest-bearing	3,310,220	3,271,849
Total deposits	4,359,263	4,318,254
Securities sold under agreements to repurchase	—	28,969
Federal Home Loan Bank advances	12,301	13,231
Subordinated notes	—	39,553
Junior subordinated debentures issued to capital trusts	52,909	52,849
Other liabilities	31,419	35,441
Total liabilities	4,455,892	4,488,297
COMMITMENTS AND CONTINGENCIES (Note 23)		
Stockholders' Equity		
Preferred stock, \$0.01 par value; 25,000,000 shares authorized; none issued or outstanding	—	—
Common stock, \$0.01 par value; 125,000,000 shares authorized; shares issued of 32,899,104 at 2025 and 32,827,039 at 2024; shares outstanding of 31,431,924 at 2025 and 31,559,366 at 2024	329	328
Surplus	298,548	297,297
Retained earnings	367,163	316,764
Accumulated other comprehensive income (loss)	(23,018)	(46,765)
Treasury stock at cost, 1,467,180 shares at 2025 and 1,267,673 at 2024	(27,524)	(23,019)
Total stockholders' equity	615,498	544,605
Total liabilities and stockholders' equity	\$ 5,071,390	\$ 5,032,902

See accompanying Notes to Consolidated Financial Statements

HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31,		
	2025	2024	2023
<i>(dollars in thousands, except per share data)</i>			
INTEREST AND DIVIDEND INCOME			
Loans, including fees:			
Taxable	\$ 211,943	\$ 210,340	\$ 191,008
Federally tax exempt	4,878	4,523	4,189
Debt securities:			
Taxable	31,075	25,801	25,746
Federally tax exempt	1,839	2,102	4,225
Interest-bearing deposits in bank	5,502	8,272	3,020
Other interest and dividend income	547	662	811
Total interest and dividend income	255,784	251,700	228,999
INTEREST EXPENSE			
Deposits	51,689	56,047	25,135
Securities sold under agreements to repurchase	22	594	255
Borrowings	203	480	7,128
Subordinated notes	1,326	1,879	1,879
Junior subordinated debentures issued to capital trusts	3,649	3,850	3,530
Total interest expense	56,889	62,850	37,927
Net interest income	198,895	188,850	191,072
PROVISION FOR CREDIT LOSSES	3,161	3,031	7,573
Net interest income after provision for credit losses	195,734	185,819	183,499
NONINTEREST INCOME			
Card income	10,785	11,051	11,043
Wealth management fees	12,147	10,978	9,883
Service charges on deposit accounts	8,040	7,932	7,846
Mortgage servicing	4,113	4,437	4,678
Mortgage servicing rights fair value adjustment	(1,883)	(174)	(1,615)
Gains on sale of mortgage loans	1,477	1,611	1,526
Realized gains (losses) on sales of securities	(200)	(3,697)	(1,820)
Unrealized gains (losses) on equity securities	7	(59)	160
Gains (losses) on foreclosed assets	4	22	501
Gains (losses) on other assets	(85)	(635)	166
Income on bank owned life insurance	671	915	573
Other noninterest income	3,114	3,190	3,105
Total noninterest income	38,190	35,571	36,046
NONINTEREST EXPENSE			
Salaries	66,342	65,130	67,453
Employee benefits	13,538	11,311	10,037
Occupancy of bank premises	10,713	10,293	9,918
Furniture and equipment	2,280	2,004	2,790
Data processing	11,766	11,169	12,352
Marketing and customer relations	4,183	4,320	5,043
Amortization of intangible assets	2,726	2,839	2,670
Loss on extinguishment of debt	391	—	—
FDIC insurance	2,234	2,254	2,280
Loan collection and servicing	1,346	2,056	1,402
Foreclosed assets	169	109	251
Other noninterest expense	13,730	12,522	16,768
Total noninterest expense	129,418	124,007	130,964
INCOME BEFORE INCOME TAX EXPENSE	104,506	97,383	88,581
INCOME TAX EXPENSE	27,498	25,603	22,739
NET INCOME	\$ 77,008	\$ 71,780	\$ 65,842
EARNINGS PER SHARE - BASIC	\$ 2.44	\$ 2.27	\$ 2.08
EARNINGS PER SHARE - DILUTED	\$ 2.44	\$ 2.26	\$ 2.07
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING	31,502,351	31,590,117	31,626,308

See accompanying Notes to Consolidated Financial Statements



HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
NET INCOME	\$ 77,008	\$ 71,780	\$ 65,842
OTHER COMPREHENSIVE INCOME			
Unrealized gains on debt securities available-for-sale	30,477	9,023	16,949
Reclassification adjustment for losses on sale of debt securities available-for-sale realized in income	200	3,697	1,820
Reclassification adjustment for amortization of net unrealized losses on debt securities transferred to held-to-maturity	1,974	1,992	1,954
Unrealized gains on derivative instruments	—	64	161
Reclassification adjustment for net settlements on derivative instruments	(38)	(348)	(468)
Total other comprehensive income, before tax	32,613	14,428	20,416
Income tax expense	8,866	4,030	5,820
Total other comprehensive income	23,747	10,398	14,596
TOTAL COMPREHENSIVE INCOME	\$ 100,755	\$ 82,178	\$ 80,438

See accompanying Notes to Consolidated Financial Statements

HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
	Shares Outstanding	Amount					
<i>(dollars in thousands, except per share data)</i>							
Balance, December 31, 2022	28,752,626	\$ 293	\$ 222,783	\$ 232,004	\$ (71,759)	\$ (9,689)	\$ 373,632
Cumulative effect of change in accounting principle (ASU 2016-13)	—	—	—	(6,922)	—	—	(6,922)
Net income	—	—	—	65,842	—	—	65,842
Other comprehensive income	—	—	—	—	14,596	—	14,596
Stock-based compensation	—	—	1,953	—	—	—	1,953
Issuance of common stock upon vesting of restricted stock units, net of tax withholdings	43,607	—	(181)	—	—	—	(181)
Issuance of common stock in Town and Country acquisition	3,378,600	34	71,322	—	—	—	71,356
Repurchase of common stock	(479,005)	—	—	—	—	(8,907)	(8,907)
Cash dividends and dividend equivalents (\$0.68 per share)	—	—	—	(21,873)	—	—	(21,873)
Balance, December 31, 2023	31,695,828	327	295,877	269,051	(57,163)	(18,596)	489,496
Cumulative effect of change in accounting principle (ASU 2023-02)	—	—	—	116	—	—	116
Net income	—	—	—	71,780	—	—	71,780
Other comprehensive income	—	—	—	—	10,398	—	10,398
Stock-based compensation	—	—	1,752	—	—	—	1,752
Issuance of common stock upon vesting of restricted stock units, net of tax withholdings	96,341	1	(332)	—	—	—	(331)
Repurchase of common stock	(232,803)	—	—	—	—	(4,423)	(4,423)
Cash dividends and dividend equivalents (\$0.76 per share)	—	—	—	(24,183)	—	—	(24,183)
Balance, December 31, 2024	31,559,366	328	297,297	316,764	(46,765)	(23,019)	544,605
Net income	—	—	—	77,008	—	—	77,008
Other comprehensive income	—	—	—	—	23,747	—	23,747
Stock-based compensation	—	—	1,943	—	—	—	1,943
Issuance of common stock upon vesting of restricted stock units, net of tax withholdings	72,065	1	(692)	—	—	—	(691)
Repurchase of common stock	(199,507)	—	—	—	—	(4,505)	(4,505)
Cash dividends and dividend equivalents (\$0.84 per share)	—	—	—	(26,609)	—	—	(26,609)
Balance, December 31, 2025	31,431,924	\$ 329	\$ 298,548	\$ 367,163	\$ (23,018)	\$ (27,524)	\$ 615,498

See accompanying Notes to Consolidated Financial Statements

HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	3,200	2,944	3,108
Provision for credit losses	3,161	3,031	7,573
Net amortization of debt securities	2,264	3,641	5,730
Deferred income tax expense	329	996	3,817
Stock-based compensation	1,943	1,752	1,953
Net accretion of discount and deferred loan fees on loans	(7,117)	(7,187)	(7,228)
Net realized loss on sales of securities	200	3,697	1,820
Net unrealized loss (gain) on equity securities	(7)	59	(160)
Net loss (gain) on disposals of bank premises and equipment	87	55	(84)
Net gain on sales of bank premises held for sale	(52)	—	(81)
Impairment losses on bank premises held for sale	50	580	—
Net gain on sales of foreclosed assets	(155)	(112)	(764)
Write-down of foreclosed assets	151	90	263
Amortization of intangibles	2,726	2,839	2,670
Decrease in fair value of mortgage servicing rights	1,883	174	1,615
Net loss (gain) on extinguishment of subordinated debt	391	—	—
Amortization of discount and issuance costs on subordinated notes and debentures	116	139	139
Amortization of discount on Federal Home Loan Bank advances	158	401	379
Amortization of premium on time deposits	—	(108)	(400)
Mortgage loans originated for sale	(49,176)	(62,649)	(69,663)
Proceeds from sale of mortgage loans	50,976	64,992	71,098
Net gain on sale of mortgage loans	(1,477)	(1,611)	(1,526)
Increase in cash surrender value of bank owned life insurance	(671)	(668)	(566)
Net gain on bank owned life insurance proceeds	—	(247)	—
Decrease (increase) in accrued interest receivable	991	(236)	(1,915)
Decrease in other assets	645	3,053	2,174
Increase (decrease) in other liabilities	(2,554)	1,967	(19,965)
Net cash provided by operating activities	85,070	89,372	65,829

See accompanying Notes to Consolidated Financial Statements

HBT FINANCIAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

(dollars in thousands)	Year Ended December 31,		
	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturities of interest-bearing time deposits with banks	—	520	249
Purchase of interest-bearing time deposits with banks	—	(11)	(509)
Proceeds from sales of debt securities	4,125	69,174	185,280
Proceeds from sales and redemptions of equity securities	81	58	—
Proceeds from paydowns, maturities, and calls of debt securities	186,386	126,340	102,625
Purchase of debt securities	(234,264)	(105,147)	(2,640)
Purchase of equity securities	(64)	(196)	(397)
Purchase of loans	(9,782)	(14,566)	(61,009)
Net decrease (increase) in loans	22,338	(42,623)	(81,641)
Purchase of restricted stock	—	—	(23,832)
Proceeds from redemption of restricted stock	107	2,074	27,459
Proceeds from bank owned life insurance	—	831	—
Purchases of bank premises and equipment	(10,247)	(5,506)	(3,134)
Proceeds from sales of bank premises and equipment	76	2	222
Proceeds from sales of bank premises held for sale	319	—	351
Proceeds from sales of foreclosed assets	1,285	1,396	4,093
Net cash paid for acquisition of Town and Country	—	—	(14,454)
Net cash provided by (used in) investing activities	(39,640)	32,346	132,663
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase (decrease) in deposits	41,009	(83,075)	94,396
Net decrease in repurchase agreements	(28,969)	(13,473)	(639)
Net decrease in short-term Federal Home Loan Bank advances	—	—	(234,195)
Proceeds from long-term Federal Home Loan Bank advances	6,800	907	—
Repayment of long-term Federal Home Loan Bank advances	(7,888)	(700)	—
Repayment of subordinated notes	(40,000)	—	—
Taxes paid related to the vesting of restricted stock units	(691)	(331)	(181)
Repurchase of common stock	(4,505)	(4,423)	(8,907)
Cash dividends and dividend equivalents paid	(26,609)	(24,183)	(21,873)
Net cash used in financing activities	(60,853)	(125,278)	(171,399)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15,423)	(3,560)	27,093
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	137,692	141,252	114,159
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 122,269	\$ 137,692	\$ 141,252
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid for interest	\$ 58,172	\$ 64,723	\$ 32,853
Net cash paid for income taxes:			
Federal	\$ 18,425	\$ 16,425	\$ 13,795
Illinois	7,875	6,195	6,150
Other states	315	1,256	567
Total	\$ 26,615	\$ 23,876	\$ 20,512
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING ACTIVITIES			
Transfers of loans to foreclosed assets	\$ 2,040	\$ 889	\$ 1,143
Transfers of bank premises and equipment to bank premises held for sale	\$ —	\$ 317	\$ 35

See accompanying Notes to Consolidated Financial Statements

**HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HBT Financial, Inc. (“HBT Financial” or the “Company”) is headquartered in Bloomington, Illinois and is the holding company for Heartland Bank and Trust Company (“Heartland Bank” or the “Bank”). The Bank provides a comprehensive suite of financial products and services to consumers, businesses, and municipal entities throughout Illinois and eastern Iowa. Additionally, the Company is subject to the regulations of certain federal and state agencies and undergoes periodic examinations by those regulatory agencies.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Significant accounting policies are summarized below.

Basis of Consolidation

The consolidated financial statements of HBT Financial include the accounts of the Company and its wholly owned bank subsidiary, Heartland Bank. Heartland Bank also maintains two limited liability companies that holds specific assets for risk mitigation and tax planning purposes and are consolidated into HBT Financial's consolidated financial statements.

The Company also has eight wholly owned subsidiaries, Heartland Bancorp, Inc. Capital Trust B; Heartland Bancorp, Inc. Capital Trust C; Heartland Bancorp, Inc. Capital Trust D; FFBI Capital Trust I; National Bancorp Statutory Trust I; Town and Country Statutory Trust II; Town and Country Statutory Trust III; and West Plains Investors Statutory Trust I, which, in accordance with GAAP, are not consolidated as more fully described in Note 13.

Significant intercompany transactions and accounts have been eliminated in consolidation.

Use of Estimates

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and the reported results of operations for the periods then ended.

Actual results could differ significantly from those estimates. Material estimates that are particularly susceptible to significant changes in the near term relate to the determination of the allowance for credit losses.

Business and Significant Concentrations of Credit Risk

The Company provides several types of loans to consumers, businesses, and municipal entities, primarily located in its customer service area. Real estate and commercial loans are principal areas of concentration. The Company also strives to meet the borrowing needs of the consumers in its market areas. Extension of credit is generally limited to the primary trade areas of the Company. Primary deposit products of the Bank are noninterest-bearing and interest-bearing demand accounts, savings accounts, money market accounts, and term certificates of deposit.

Cash and Cash Equivalents

For purposes of reporting consolidated cash flows, cash and cash equivalents include cash on hand and amounts due from banks, all of which have an original maturity within 90 days or less. Cash flows from loans, deposits, and short-term Federal Home Loan Bank (“FHLB”) advances are reported net.

Interest-Bearing Time Deposits with Banks

Interest-bearing time deposits with banks are carried at cost.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Debt Securities

Debt securities are classified as held-to-maturity when the Company has the positive intent and ability to hold the securities to maturity and are carried at amortized cost. Debt securities not classified as held-to-maturity are classified as available-for-sale. Debt securities available-for-sale are carried at fair value with unrealized gains and losses reported in accumulated other comprehensive income (loss). Realized gains and losses on debt securities available-for-sale are included in noninterest income when applicable and reported as a reclassification adjustment in other comprehensive income (loss). Gains and losses on sales are recorded on the trade date and determined using the specific identification method.

Interest income includes amortization of purchase premium or discount. Premiums and discounts on debt securities are amortized on the level-yield method without anticipating prepayments, except for mortgage backed securities where prepayments are anticipated. Premiums on callable debt securities are amortized to their earliest call date.

Any transfers of debt securities into the held-to-maturity category from the available-for-sale category are made at fair value at the date of transfer. The unrealized holding gain or loss at the date of transfer is retained in accumulated other comprehensive income (loss) and in the carrying value of the held-to-maturity securities. Such amounts are amortized over the period to maturity.

Allowance for Credit Losses – Debt Securities Available-for-Sale

For debt securities available-for-sale in an unrealized loss position, the Company first assesses whether it intends to sell, or if it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security amortized cost basis is written down to fair value through earnings. For debt securities available-for-sale that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. 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, 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 (loss).

Changes in the allowance for credit losses are recorded as provision for credit losses. Losses are charged against the allowance for credit losses when management believes the uncollectibility of a security is confirmed or when either the criteria regarding intent or requirement to sell is met.

Allowance for Credit Losses – Debt Securities Held-to-Maturity

For debt securities held-to-maturity, the Company measures expected credit losses on a collective basis by major security type. Held-to-maturity securities are evaluated using historical probability of default and loss given default information specific to the investment category. If this evaluation determines that credit losses exist, an allowance for credit loss is recorded and included in earnings as a component of provision for credit losses. The Company's U.S. government agency and agency mortgage-backed securities are explicitly or implicitly guaranteed by the U.S. government, and as such are excluded from the credit loss evaluation as the expectation of non-payment is zero.

Equity Securities

Equity securities with readily determinable fair values are measured at fair value with changes in fair value recognized in unrealized gains (losses) on equity securities on the statements of income.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company has elected to measure its equity securities with no readily determinable fair values at their cost minus impairment, if any, plus or minus charges resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer.

Restricted Stock

Restricted stock, which consists of FHLB stock, is carried at cost and evaluated for impairment.

Loans Held for Sale

Mortgage loans originated and intended for sale in the secondary market are carried at the lower of cost or fair value. The Company obtains quotes or bids on these loans directly from purchasing financial institutions. Typically, these quotes include a premium on sale and thus quotes typically indicate fair value of the held for sale loans is greater than cost. Net unrealized losses, if any, are recognized through a valuation allowance by charges to income.

Mortgage loans held for sale are generally sold with the mortgage servicing rights retained by the Company. The carrying value of mortgage loans sold is reduced by fair value allocated to the associated mortgage servicing rights. Gains or losses on sales of mortgage loans are recognized based on the difference between the selling price and the carrying value of the related mortgage loans sold.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at amortized cost net of the allowance for credit losses. Amortized cost is the unpaid principal balance outstanding, adjusted for charge-offs, net of purchase premiums and discounts, and deferred loan fees and costs.

Interest income is accrued on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, as well as premiums and discounts, are deferred and recognized in interest income using the level-yield method without anticipating prepayments.

The accrual of interest on loans is discontinued at the time the loan is 90 days past due, unless the credit is well-secured and in process of collection. Past due status is based on contractual terms of the loan. In all cases, loans are placed on nonaccrual or charged-off at an earlier date if collection of principal or interest is considered doubtful.

All interest accrued but not collected for loans that are placed on nonaccrual or charged off is reversed against interest income if it was accrued during the current year and charged-off against the allowance for credit losses if accrued in a prior year. Amortization of related deferred loan fees or costs and any purchase premium or discount is also suspended at this time. The interest on these loans is accounted for on the cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current, future payments are reasonably assured, and the borrower must generally demonstrate at least 6 months of payment performance.

Purchased Credit Deteriorated Loans

Purchased credit deteriorated loans ("PCD loans") are purchased loans, that, as of the date of acquisition, have experienced a more-than-insignificant deterioration in credit quality since origination, as determined by the Company's assessment. An allowance for credit losses is determined using the same methodology as other loans held for investment. The initial allowance for credit losses determined on a collective basis is allocated to individual loans. The sum of a loan's purchase price and allowance for credit losses becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the unpaid principal balance of a loan is a non-credit discount or premium which is amortized into interest income over the life of the loan.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Non-Purchased Credit Deteriorated Loans

Non-purchased credit deteriorated loans ("non-PCD loans") are purchased loans, that, as of the date of acquisition, have not experienced a more-than-insignificant deterioration in credit quality since origination, as determined by the Company's assessment. The loan's purchase price becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the unpaid principal balance of the loan is a discount or premium, which is comprised of a credit and non-credit component, and is accreted or amortized into interest income over the life of the loan.

An allowance for credit losses is determined using the same methodology as other loans held for investment, but no "Day One" allowance for credit losses is established on the date of acquisition. Instead, a subsequent "Day Two" allowance for credit losses for non-PCD loans is recorded through the provision for credit losses, which reflects the estimated lifetime credit losses.

Allowance for Credit Losses – Loans

The allowance for credit losses for loans is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. The Company's estimate of the allowance for credit losses for loans reflects losses expected over the remaining contractual life of the loans, considering past events, current conditions, and reasonable and supportable forecasts of future economic conditions.

Loans are charged off against the allowance for credit losses when management believes the uncollectibility of a loan balance is confirmed. Recoveries are recognized up to the aggregate amount of previously charged-off balances. The allowance for credit losses is established through provision for credit loss expense charged to income.

The allowance for credit losses is measured on a collective (pooled) basis when similar risk characteristics exist. The Company has identified the following portfolio segments:

Commercial and Industrial: Consists of loans typically granted for working capital, asset acquisition and other business purposes. These loans are underwritten primarily based on the borrower's cash flow with most loans secondarily supported by collateral. Most commercial and industrial loans are secured by the assets being financed or other business assets, such as accounts receivable, inventory, and equipment, and are typically supported by personal guarantees of the owners. Cash flows and collateral values may fluctuate based on general economic conditions, specific industry conditions and specific borrower circumstances.

Commercial Real Estate - Owner Occupied: Consists of loans secured by commercial real estate that is both owned and occupied by the same or a related borrower. These loans are primarily underwritten based on the cash flow of the business occupying the property. As with commercial and industrial loans, cash flows and collateral values may fluctuate based on general economic conditions, specific industry conditions, and specific borrower circumstances.

Commercial Real Estate - Non-owner Occupied: Consists of loans secured by commercial real estate for which the primary source of repayment is the sale or rental cash flows from the underlying collateral. These loans are underwritten based primarily on the historic or projected cash flow from the underlying collateral. Adverse economic developments, or an overbuilt market, typically impact commercial real estate projects. Trends in rental and vacancy rates of commercial properties may impact the credit quality of these loans.

Construction and Land Development: Consists of loans for speculative and pre-sold construction projects for developers intending to either sell upon completion or hold for long-term investment, as well as construction of projects to be owner occupied. In addition, loans in this segment generally possess a higher inherent risk of loss than other portfolio segments due to risk of non-completion, changes in budgeted costs, and changes in market forces during the term of the construction period.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Multi-family: Consists of loans secured by five or more unit apartment buildings. Multi-family loans may be affected by demographic and population trends, unemployment or underemployment, and deteriorating market values of real estate.

One-to-four Family Residential: Consists of loans secured by one-to-four family residences, including both first and junior lien mortgage loans for owner occupied and non-owner occupied properties and home equity lines of credit. The degree of risk in residential mortgage lending depends on the local economy, including the local real estate market and unemployment rates.

Agricultural and Farmland: Consists of loans typically secured by farmland, agricultural operating assets, or a combination of both, and are generally underwritten to existing cash flows of operating agricultural businesses. Debt repayment is provided by business cash flows. The credit quality of these loans is significantly influenced by changes in prices of corn and soybeans and, to a lesser extent, weather, which has been partially mitigated by federal crop insurance programs.

Municipal, Consumer and Other: Loans to municipalities include obligations of municipal entities and loans sponsored by municipal entities for the benefit of a private entity where that private entity, rather than the municipal entity, is responsible for repayment of the obligation. Consumer loans include loans to individuals for consumer purposes and typically consist of small balance loans. Economic trends determined by unemployment rates and other key economic indicators are closely correlated to the credit quality of the consumer loans. Loans to non-depository financial institutions, as well as leases, are also included.

The Company uses the discounted cash flow method to estimate expected credit losses for all loan segments, except for consumer loans. Under this method, cash flow projections at the instrument-level are adjusted for estimated prepayments, probability of default, loss given default, and time to recovery. These cash flow projections are discounted at the instrument-level effective yield to calculate the present value of expected cash flows. An allowance for credit losses is established for the difference between a pool's total amortized cost basis and present value of expected cash flows.

The Company uses the weighted average remaining maturity method to estimate expected credit losses for consumer loans. Under this method, an expected loss rate is applied to an estimate of future outstanding balance balances of the pool.

The Company uses regression analysis of historical internal and peer data to determine which variables are best suited to be economic variables utilized when modeling lifetime probability of default in the discounted cash flow models and loss rates in the weighted average remaining maturity model. The analysis also determines how expected probability of default and loss rates will react to forecasted levels of the economic variables. In addition, qualitative adjustments are made for risk factors that are not considered within our modeling processes but are nonetheless relevant in assessing the expected credit losses within our loan pools.

Management estimates the allowance for credit losses on loans using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. As historical credit loss experience provides the basis for the estimation of expected credit losses for pooled loans, adjustments may be necessary to capture differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as for changes in environmental conditions.

Loans that do not share risk characteristics are evaluated on an individual basis. Loan evaluated individually are not also included in the pooled evaluation. When management determines that foreclosure is probable, or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for anticipated selling costs as appropriate.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Although management believes the allowance for credit losses to be adequate, ultimate losses may vary from its estimates. At least quarterly, the Allowance for Credit Losses Committee reviews the adequacy of the allowance, including consideration of the relevant risks in the portfolio, current economic conditions and other factors. In addition, the Company's regulators review the adequacy of the allowance for credit losses and may require additions to the allowance for credit losses based on their judgment about information available at the time of their examinations.

Unfunded Lending-related Commitments

In the ordinary course of business, the Company has entered into commitments to extend credit, such as lines of credit, commercial letters of credit, and standby letters of credit. Such financial instruments are recorded when they are funded.

Allowance for Credit Losses – Unfunded Lending-related Commitments

The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The allowance for credit losses on unfunded lending-related commitments is adjusted through provision for credit losses. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credited losses on commitments expected to be funded over its estimated life.

Loan Servicing

The Company periodically sells mortgage loans on the secondary market with servicing retained. For sales of mortgage loans, a portion of the cost of originating the loan is allocated to the servicing right based on fair value. Fair value is based on market prices for comparable mortgage servicing contracts, when available, or alternatively, is based on a valuation model that calculates the present value of estimated future net servicing income. The valuation model incorporates assumptions that market participants would use in estimating future net servicing income, such as the cost to service, the discount rate, the custodial earnings rate, an inflation rate, ancillary income, prepayment speeds, and default rates and losses. Mortgage servicing rights are carried at fair value on the consolidated balance sheets and changes in fair value are recorded in mortgage servicing rights fair value adjustment on the consolidated statements of income.

Bank Owned Life Insurance

Bank owned life insurance represents life insurance policies on the lives of certain current and former employees and directors for which the Company is the sole owner and beneficiary. These policies are recorded as an asset in the consolidated balance sheets at their cash surrender value ("CSV") or the current amount that could be realized if settled. The change in CSV and insurance proceeds received are included as a component of noninterest income in the consolidated statements of income.

Bank Premises and Equipment

Land is carried at cost. Bank premises and equipment are carried at cost less accumulated depreciation. Depreciation is computed over the estimated useful lives of the individual assets using the straight-line method.

Bank Premises Held for Sale

Bank premises held for sale is carried at the lower of cost or fair value less estimated costs to sell. Bank premises classified as held for sale are not depreciated.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or fair value less estimated costs to sell.

Lease Obligations

The Company leases certain bank premises under non-cancelable operating leases in the normal course of business operations. These lease obligations result in the recognition of right-of-use assets and associated lease contract liabilities. The amount of right-of-use assets and associated lease contract liabilities recorded is based on the present value of future minimum lease payments. The discount rate used is equal to the rate implicit in the lease, when readily determinable, or the Company's incremental borrowing rate at lease inception, on a collateralized basis over a similar term. Right-of-use assets are included in other assets and lease contract liabilities are included in other liabilities in the consolidated balance sheets and were insignificant as of December 31, 2025 and 2024.

Foreclosed Assets

When it appears likely that we will obtain title to real estate collateral, we develop an exit strategy by assessing overall market conditions, the current use and condition of the asset, and its highest and best use. If determined necessary to maximize value, we complete the necessary improvements or tenant stabilization tasks, with the applicable time value discount and improvement expenses incorporated into our estimates of the expected costs to sell. Substantially all foreclosed real estate is valued on an "as-is" basis.

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at fair value less anticipated selling costs at the date of foreclosure, establishing a new cost basis. For foreclosed real estate, selling costs are generally estimated to be 7.0% of the fair value. This estimate includes sales commissions and closing costs.

Any write-down based on the fair value of the asset at the date of acquisition is charged to the allowance for credit losses. If the fair value of the asset less estimated cost to sell exceeds the recorded investment in the loan at the date of foreclosure, the increase in value is charged to current year operations unless there has been a prior charge-off, in which case a recovery to the allowance for credit losses is recorded. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less estimated cost to sell. Write-downs of foreclosed assets subsequent to foreclosure are charged to current year operations as are gains and losses from sale of foreclosed assets. Costs to maintain and hold foreclosed assets are expensed.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the original cost over the fair value of assets acquired and liabilities assumed. Goodwill is not amortized but instead is subject to an annual impairment evaluation. The Company has selected December 31 as the date to perform the annual impairment test. At December 31, 2025 and 2024, the Company's evaluations of goodwill indicated that goodwill was not impaired.

Other identifiable intangible assets consist of core deposit intangible and customer relationship intangible assets with definite useful lives which are being amortized over 10 years. The Company will periodically review the status of core deposit intangible and customer relationship intangible assets for any events or circumstances which may change the recoverability of the underlying basis.

Wealth Management Assets and Fees

Assets of the wealth management department of the Bank are not included in the consolidated balance sheets as such assets are not assets of the Company or the Bank. Fee income generated from wealth management services is recorded in the consolidated statements of income as a source of noninterest income.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Employee Benefit Plans

The Company sponsors a profit sharing plan under which the Company may contribute, at the discretion of the Board of Directors, a discretionary amount to all participating employees for the plan year. The Company may also make discretionary matching contributions in an amount up to 5% of compensation contributed by employees.

Stock Based Compensation

The Company recognizes compensation cost over the requisite service period, if any, which is generally defined as the vesting period. For awards classified as equity, compensation cost is based on the fair value of the awards on the grant date. For awards classified as liabilities, compensation cost also includes subsequent remeasurements of the fair value of the awards until the award is settled. The Company's policy is to recognize forfeitures as they occur.

Transfers of Financial Assets and Participating Interests

Transfers of an entire financial asset or a participating interest in an entire financial asset are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

The transfer of a participating interest in an entire financial asset must also meet the definition of a participating interest. A participating interest in a financial asset has all of the following characteristics: (1) from the date of transfer, it must represent a proportionate (pro rata) ownership interest in the financial asset, (2) from the date of transfer, all cash flows received, except any cash flows allocated as any compensation for servicing or other services performed, must be divided proportionately among participating interest holders in the amount equal to their share ownership, (3) the rights of each participating interest holder must have the same priority, and (4) no party has the right to pledge or exchange the entire financial asset unless all participating interest holders agree to do so.

Advertising Costs

Advertising costs are expensed as incurred.

Income Taxes

Income tax expense is the total of the current year income tax due or refundable and the change in deferred tax assets and liabilities. Deferred tax assets and liabilities are the expected future tax amounts for the temporary differences between carrying amounts and tax bases of assets and liabilities, computed using enacted tax rates. A valuation allowance, if needed, reduces deferred tax assets to the amount expected to be realized.

With regard to uncertain tax matters, the Company recognizes in the consolidated financial statements the impact of a tax position taken, or expected to be taken, if it is more likely than not that the position will be sustained on audit based on the technical merit of the position. Management has analyzed the tax positions taken by the Company and concluded as of December 31, 2025 and 2024, there are no material uncertain tax positions taken or expected to be taken that require recognition of a liability or disclosure in the consolidated financial statements. When applicable, the Company recognizes interest accrued related to unrecognized tax benefits and penalties in operating expenses.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Low Income Housing Tax Credits

The Company holds an ownership interest in a limited liability company, as a limited partner, that invests in affordable housing projects. This investment is designed to generate a return primarily through the realization of federal tax credits and deductions, which may be subject to recapture by taxing authorities if compliance requirements are not met. The Company accounts for its low income housing investments using the proportional amortization method.

The Company's investment in the qualified affordable housing project meets the definition of a variable interest entity ("VIE") as the entity is structured such that the limited partner investors lack substantive voting rights. The managing member has both the power to direct the activities that most significantly impact the economic performance of the entity and the obligation to absorb losses or the right to receive benefits that could be significant to the entity. Accordingly, the Company is not the primary beneficiary and is not required to consolidate this entity. The Company's maximum exposure to loss is limited to the carrying amount of the investment, which was \$6.6 million as of December 31, 2025.

Derivative Financial Instruments

As part of the Company's asset/liability management, the Company may use interest rate swaps to hedge various exposures or to modify interest rate characteristics of various balance sheet accounts. Derivatives that are used as part of the asset/liability management process are linked to specific assets or liabilities, or pools of assets or liabilities, and have high correlation between the contract and the underlying item being hedged, both at inception and throughout the hedge period.

All derivatives are recognized on the consolidated balance sheet at their fair value. On the date the derivative contract is entered into, the Company may designate the derivative as a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability "cash flow" hedge. Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash-flow hedge are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows (e.g., when periodic settlements on a variable-rate asset or liability are recorded in earnings).

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedged transactions. This process includes linking all derivatives that are designated as cash flow hedges to specific assets and liabilities on the balance sheet or forecasted transactions. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items. When it is determined that a derivative is not highly effective as a hedge or that it has ceased to be a highly effective hedge, the Company discontinues hedge accounting prospectively.

The Company discontinues hedge accounting prospectively when (a) it is determined that the derivative is no longer highly effective in offsetting changes in the cash flows of a hedged item (including forecasted transactions); (b) the derivative expires or is sold, terminated, or exercised; (c) the derivative is dedesignated as a hedge instrument, because it is unlikely that a forecasted transaction will occur; or (d) management determines that designation of the derivative as a hedge instrument is no longer appropriate.

When hedge accounting is discontinued because it is probable that a forecasted transaction will not occur, the derivative will continue to be carried on the consolidated balance sheet at its fair value, and gains and losses that were accumulated in other comprehensive income (loss) will be recognized immediately in earnings. In all other situations in which hedge accounting is discontinued, the derivative will be carried at its fair value on the balance sheet, with subsequent changes in its fair value recognized in current-period earnings.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on securities available-for-sale and fair value changes of interest rate swap agreements designated as cash flow hedges, are reported as a separate component of the equity section of the consolidated balance sheets, such items, along with net income, are components of comprehensive income (loss).

In conjunction with changes to the Company's applicable income tax rates, such as the impact of the conversion to a C Corporation in 2019, the Company recorded deferred income tax expense of \$3.4 million related to the unrealized gains (losses) on debt securities through the income statement in accordance with ASC 740, *Income Taxes*. This difference will remain in accumulated other comprehensive income (loss) until the underlying debt securities are sold or mature or the underlying cash flow hedging relationships terminate in accordance with the portfolio approach.

Fair Value of Financial Instruments

Fair value of financial instruments is estimated using relevant market information and other assumptions, as more fully disclosed in Note 22 – Fair Value of Financial Instruments. Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Revenue from Contracts with Customers

ASC 606, *Revenue from Contracts with Customers*, requires an entity to recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. To achieve this, the Company takes the following steps: identify the contract(s) with a customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contract; and recognize revenue when (or as) the Company satisfies a performance obligation. The noninterest revenue streams that are considered to be in the scope of this guidance are discussed below.

Card income: Consists of debit and credit card interchange fees. For debit and credit card transactions, the Company considers the merchant as the customer for interchange revenue with the performance obligation being satisfied when the cardholder purchases goods or services from the merchant. Interchange revenue is recognized as the services are provided. Payment is typically received daily.

Wealth management fees: Consists of revenue from the management and advisement of financial client assets and non-financial client assets, such as farmland, and trust administration. The Company's performance obligation is generally satisfied over time, and the fees are recognized monthly. Payment is typically received quarterly or annually.

Service charges on deposit accounts: Consists of account analysis fees, monthly service fees, and other deposit account related fees. The Company's performance obligation account analysis fees and monthly service fees are ongoing and either party may cancel at any time. These fees are generally recognized as the services are rendered on a monthly basis. Payment is typically received monthly. Other deposit account related fees are largely transaction based, and therefore, the Company's performance obligation is satisfied, and related revenue recognized, at a point in time. Payment for other deposit account related fees is primarily received immediately through a direct charge to customers' accounts.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation without any impact on the reported amounts of net income or stockholders' equity.

Subsequent Events

In preparing these consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through the date the consolidated financial statements were issued.

Impact of Recently Adopted Accounting Standards

On January 1, 2023, the Company adopted Accounting Standards Update ("ASU") 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which replaces the incurred loss methodology with an expected loss methodology, commonly referred to as the current expected credit losses ("CECL") methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loan receivables and debt securities held-to-maturity. It also applies to off-balance sheet credit exposures not accounted for as insurance, such as loan commitments and letters of credit. In addition, ASC 326 made changes to the accounting for debt securities available-for-sale. One such change is to require credit losses be presented as an allowance rather than as a write-down on debt securities available-for-sale management does not intend to sell or believes that it is more likely than not they will be required to sell.

The Company adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and off-balance sheet credit exposures. Results for reporting periods beginning after December 31, 2022 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. The Company recorded a net decrease to retained earnings of \$6.9 million as of January 1, 2023 for the cumulative effect of adopting ASC 326. The following table illustrates the impact of ASC 326 on the allowance for credit losses:

	January 1, 2023		
	Pre-ASC 326 Adoption	Impact of ASC 326 Adoption	As Reported under ASC 326
<i>(dollars in thousands)</i>			
Assets:			
Allowance for credit losses on loans			
Commercial and industrial	\$ 3,279	\$ (822)	\$ 2,457
Commercial real estate - owner occupied	1,193	587	1,780
Commercial real estate - non-owner occupied	6,721	501	7,222
Construction and land development	4,223	1,969	6,192
Multi-family	1,472	85	1,557
One-to-four family residential	1,759	797	2,556
Agricultural and farmland	796	1,567	2,363
Municipal, consumer, and other	5,890	2,299	8,189
Allowance for credit losses on loans	\$ 25,333	\$ 6,983	\$ 32,316
Liabilities:			
Allowance for credit losses on unfunded commitments	\$ —	\$ 2,899	\$ 2,899

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company also adopted ASC 326 using the prospective transition approach for purchase credit deteriorated (“PCD”) financial assets that were previously classified as purchased credit impaired (“PCI”) and accounted for under ASC 310-30. In accordance with ASC 326, management did not reassess whether PCI assets met the criteria of PCD assets as of the date of adoption. On January 1, 2023, the amortized cost basis of the PCD assets were adjusted to reflect the addition of \$0.2 million to the allowance for credit losses. The remaining noncredit discount will be accreted into interest income at the effective interest rate as of January 1, 2023.

On January 1, 2024, the Company adopted ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method (a consensus of the Emerging Issues Task Force)*. ASU 2023-02 permits an election to use the proportional amortization method to account for equity investments made primarily for the purpose of receiving income tax credits and other income tax benefits, regardless of the tax credit program from which the income tax credits are received, provided that certain conditions are met. The proportional amortization method results in the cost of the investment being amortized in proportion to the income tax credits and other income tax benefits received, with the amortization of the investment and the income tax credits being presented net in the income statement as a component of income tax expense. The Company adopted ASU 2023-02 using the modified retrospective method. The Company recorded a \$0.1 million increase to retained earnings and decrease to deferred tax liability, as well as a \$7.2 million increase to other assets and other liabilities, as a result of the adoption.

On January 1, 2024, the Company adopted ASU 2022-01, *Derivatives and Hedging (Topic 815): Fair Value Hedging – Portfolio Layer Method*. ASU 2022-01 replaces the current last-of-layer hedge accounting method with an expanded portfolio layer method that permits multiple hedged layers of a single closed portfolio. The scope of the portfolio layer method is also expanded to include non-prepayable financial assets. ASU 2022-01 also provides additional guidance on the accounting for and disclosure of hedge basis adjustments that are applicable to the portfolio layer method, and specifies how hedge basis adjustments should be considered when determining credit losses for the assets included in the closed portfolio. Amendments related to hedge basis adjustments which are included in this standard apply on a modified retrospective basis by means of a cumulative-effect adjustment to the opening balance of retained earnings on the initial application date. Amendments related to disclosure which are included in this standard may be applied on a prospective basis from the initial application date, or on a retrospective basis to each prior period presented after the date of adoption of the amendments in ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. The amendments in this update are effective for years beginning after December 15, 2023, including interim periods within those years. Early adoption is permitted. This standard did not have an impact on the Company’s consolidated results of operations or financial position.

On January 1, 2024, the Company adopted ASU 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. ASU 2022-03 clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value and that contractual sale restrictions cannot be recognized and measured as a separate unit of account. The amendments in this update are effective for years beginning after December 15, 2023, including interim periods within those years. This standard did not have an impact on the Company’s consolidated results of operations or financial position.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

On January 1, 2024, the Company adopted ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07 expands disclosure requirements for significant segment expenses under Topic 280. The amendments require public entities to disclose significant expense categories for each reportable segment, other segment items, the title and position of the chief operating decision-maker, and interim disclosures of certain segment-related information previously required only on an annual basis. The amendments clarify that entities reporting single segments must disclose both the new and existing segment disclosures under Topic 280, and a public entity is permitted to disclose multiple measures of segment profit or loss if certain criteria are met. The amendments in this update are effective for years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 31, 2024. ASU 2023-07 must be applied on a retrospective basis. Early adoption is permitted. This standard did not have an impact on the Company's consolidated results of operations or financial position.

On January 1, 2025, the Company adopted ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 expands income tax disclosure requirements. The amendments require annual disclosure of certain information relating to the rate reconciliation, income taxes paid by jurisdiction, income (loss) from continuing operations before income tax expense (benefit) disaggregated between domestic and foreign, income tax expense (benefit) from continuing operations disaggregated by federal (national), state, and foreign. The amendments also eliminate certain requirements relating to unrecognized tax benefits and certain deferred tax disclosure relating to subsidiaries and corporate joint ventures. The amendments in this update are effective for years beginning after December 15, 2024. The Company adopted ASU 2023-09 retrospectively. This standard did not have an impact on the Company's consolidated results of operations or financial position.

Recent Accounting Pronouncements

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*. ASU 2024-03 provides more decision-useful information about a public entity's expenses by requiring additional detail on expenses reported in income statements. Under the ASU, public entities will provide detailed disclosure in interim and annual periods of specified categories underlying certain expense captions. The ASU requires public entities to apply the amendments prospectively, with an option to use retrospective application. The amendments in this update are effective for years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. This standard is not expected to have a material impact on the Company's consolidated results of operations or financial position.

In November 2025, the FASB issued ASU 2025-08, *Financial Instruments - Credit Losses (Topic 326): Purchased Loans*. ASU 2025-08 expands the population of acquired financial assets subject to the gross-up approach in Topic 326. Loans (excluding credit cards) acquired without credit deterioration and deemed "seasoned" are purchased seasoned loans and accounted for using the gross-up approach at acquisition. All non-PCD loans (excluding credit cards) that are acquired in a business combination are deemed seasoned. Other non-PCD loans (excluding credit cards) are seasoned if they were purchased at least 90 days after origination and the acquirer was not involved in the origination of the loans. The amendments in this update are effective for years beginning after December 15, 2026, and interim periods within those annual reporting periods. Early adoption is permitted, and the Company adopted this update on January 1, 2026. This standard is not expected to have a material impact on the Company's consolidated results of operations or financial position.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In November 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging (Topic 815): Hedge Accounting Improvements*. ASU 2025-09 provides clarification on certain aspects of the guidance on hedge accounting and addresses several incremental hedge accounting issues arising from the global reference rate reform. Consistent with the original objective of ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*, the objective of ASU 2025-09 is to more closely align hedge accounting with the economics of an entity's risk management activities. The ASU requires public entities to apply the amendments prospectively. The amendments in this update are effective for years beginning after December 15, 2026, and interim periods within those annual reporting periods. Early adoption is permitted. This standard is not expected to have a material impact on the Company's consolidated results of operations or financial position.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. ASU 2025-11 clarifies interim disclosure requirements and the applicability of Topic 270, Interim Reporting. The amendments result in a comprehensive list of interim disclosures required by GAAP. The amendment also adds a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The ASU allows public entities to apply the amendments either prospectively or retrospectively. The amendments in this update are effective for interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. This standard is not expected to have a material impact on the Company's consolidated results of operations or financial position.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – BUSINESS COMBINATIONS**CNB Bank Shares, Inc.**

On March 1, 2026, HBT Financial acquired 100% of the issued and outstanding common stock of CNB Bank Shares, Inc. (“CNB”), the holding company for CNB Bank & Trust, N.A. (“CNB Bank”), pursuant to an Agreement and Plan of Merger dated October 20, 2025. Under the Agreement and Plan of Merger, CNB merged with and into HBT Financial, with HBT Financial as the surviving entity, immediately followed by the merger of CNB Bank with and into Heartland Bank, with Heartland Bank as the surviving entity.

At the effective time of the merger, each share of CNB was converted into the right to receive, subject to the election and proration procedures as provided in the Merger Agreement, one of the following: (i) 1.0434 shares of HBT Financial's common stock, or (ii) \$27.73 in cash, or (iii) a combination of cash and HBT Financial common stock. Total consideration consisted of approximately 5.5 million shares of HBT Financial's common stock and approximately \$34 million in cash. In lieu of fractional shares, holders of CNB common stock received cash. Based upon the closing price of HBT Financial common stock of \$26.96 on February 27, 2026, the aggregate transaction value was approximately \$182 million.

This transaction will be accounted for using the acquisition method of accounting and, accordingly, assets acquired, liabilities assumed, and consideration exchanged was recorded at estimated fair values on the date of acquisition. Fair value assessments are incomplete as of the filing date of this Form 10-K. Fair values are subject to refinement up to one year after the closing date of March 1, 2026. The acquisition is a subsequent event and the financial results of CNB are not recognized in the consolidated financial statements as of and for the year ended December 31, 2025.

The combined company will have increased density in the central Illinois, Chicago MSA, and St. Louis MSA markets. There were no CNB acquisition-related expenses recognized prior to the fourth quarter of 2025. Acquisition-related expenses recognized during the year ended December 31, 2025 are summarized below.

<i>(dollars in thousands)</i>	Year Ended
	December 31, 2025
NONINTEREST EXPENSE	
Salaries	\$ 43
Data processing	370
Legal fees and other noninterest expense	586
Total CNB acquisition-related expenses	\$ 999

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Town and Country Financial Corporation

On February 1, 2023, HBT Financial acquired 100% of the issued and outstanding common stock of Town and Country Financial Corporation (“Town and Country”), the holding company for Town and Country Bank, pursuant to an Agreement and Plan of Merger dated August 23, 2022. Under the Agreement and Plan of Merger, Town and Country merged with and into HBT Financial, with HBT Financial as the surviving entity, immediately followed by the merger of Town and Country Bank with and into Heartland Bank, with Heartland Bank as the surviving entity.

At the effective time of the merger, each share of Town and Country was converted into the right to receive, subject to the election and proration procedures as provided in the Merger Agreement, one of the following: (i) 1.9010 shares of HBT Financial’s common stock, or (ii) \$35.66 in cash, or (iii) a combination of cash and HBT Financial common stock. Total consideration consisted of 3,378,600 shares of HBT Financial’s common stock and \$38.0 million in cash. In lieu of fractional shares, holders of Town and Country common stock received cash. Based upon the closing price of HBT Financial common stock of \$21.12 on February 1, 2023, the aggregate transaction value was approximately \$109.4 million.

This transaction was accounted for using the acquisition method of accounting and, accordingly, assets acquired, liabilities assumed, and consideration exchanged were recorded at estimated fair values on the date of acquisition. Fair values are subject to refinement for up to one year after the closing date of February 1, 2023. Measurement period adjustments of \$0.1 million were recorded in the third quarter of 2023 as more information became available regarding Town and Country’s tax assets and liabilities. Goodwill of \$30.5 million was recorded in the acquisition, which reflects expected synergies from combining the operations of HBT Financial and Town and Country, and is nondeductible for tax purposes.

The acquisition of Town and Country further enhanced HBT Financial’s footprint in central Illinois, and expanded our footprint into metro-east St. Louis. Acquisition-related expenses recognized during the years ended December 31, 2023 are summarized below. There were no Town and Country acquisition-related expenses recognized subsequent to the second quarter of 2023.

<i>(dollars in thousands)</i>	Year Ended December 31, 2023
PROVISION FOR CREDIT LOSSES	\$ 5,924
NONINTEREST EXPENSE	
Salaries	3,584
Furniture and equipment	39
Data processing	2,031
Marketing and customer relations	24
Loan collection and servicing	125
Legal fees and other noninterest expense	1,964
Total noninterest expense	7,767
Total Town and Country acquisition-related expenses	\$ 13,691

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The fair value of the assets acquired and liabilities assumed from Town and Country on the acquisition date of February 1, 2023 were as follows (dollars in thousands):

	Fair Value
Assets acquired:	
Cash and cash equivalents	\$ 23,542
Interest-bearing time deposits with banks	249
Debt securities	167,869
Equity securities	301
Restricted stock	2,822
Loans held for sale	1,612
Loans, before allowance for credit losses	635,376
Allowance for credit losses	(1,247)
Loans, net of allowance for credit losses	634,129
Bank owned life insurance	15,782
Bank premises and equipment	14,828
Foreclosed assets	271
Intangible assets	22,282
Mortgage servicing rights	10,469
Investments in unconsolidated subsidiaries	449
Accrued interest receivable	3,113
Other assets	8,940
Total assets acquired	906,658
Liabilities assumed:	
Deposits	720,417
FHLB advances	86,439
Junior subordinated debentures	14,949
Other liabilities	5,999
Total liabilities assumed	827,804
Net assets acquired	\$ 78,854
Consideration paid:	
Cash	\$ 37,996
Common stock	71,356
Total consideration paid	\$ 109,352
Goodwill	\$ 30,498

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Of the loans acquired, there were \$89.8 million which exhibited more-than-insignificant credit deterioration on the acquisition date. The following table provides a summary of these PCD loans at acquisition (dollars in thousands):

Unpaid principal balance	\$	89,822
Allowance for credit losses at acquisition		(1,247)
Non-credit discount		(2,218)
Purchase price	\$	86,357

Additionally, subsequent to the Town and Country acquisition, HBT Financial recognized an allowance for credit losses on non-PCD loans of \$5.2 million and an allowance for credit losses on unfunded commitments of \$0.7 million through an increase to the provision for credit losses.

The following table provides the pro forma information for the results of operations for the year ended December 31, 2023 as if the acquisition of Town and Country had occurred on January 1, 2022. The pro forma results combine the historical results of Town and Country into HBT Financial's consolidated statements of income, including the impact of certain acquisition accounting adjustments, which include loan discount accretion, intangible assets amortization, deposit premium amortization, and borrowing premium amortization. The pro forma results have been prepared for comparative purposes only and are not necessarily indicative of the results that would have been obtained had the acquisition actually occurred on January 1, 2022. No assumptions have been applied to the pro forma results of operations regarding possible revenue enhancements, provision for credit losses, expense efficiencies or asset dispositions. The acquisition-related expenses that have been recognized are included in net income in the following table.

	Pro Forma	
	Year Ended December 31,	
	2023	
<i>(dollars in thousands, except per share data)</i>		
Total revenues (net interest income and noninterest income)	\$	230,171
Net income		66,056
Earnings per share - basic		2.07
Earnings per share - diluted		2.06

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – SECURITIES
Debt Securities

The amortized cost and fair values of debt securities, with gross unrealized gains and losses and allowance for credit losses, are as follows:

<i>(dollars in thousands)</i>	December 31, 2025				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Available-for-sale:					
U.S. Treasury	\$ 89,796	\$ —	\$ (4,252)	\$ —	\$ 85,544
U.S. government agency	42,399	146	(1,123)	—	41,422
Municipal	152,144	188	(12,062)	—	140,270
Mortgage-backed:					
Agency residential	364,567	3,605	(7,377)	—	360,795
Agency commercial	127,004	107	(7,174)	—	119,937
Corporate	65,957	621	(1,445)	—	65,133
Total available-for-sale	\$ 841,867	\$ 4,667	\$ (33,433)	\$ —	\$ 813,101

<i>(dollars in thousands)</i>	December 31, 2025				
	Amortized Cost	Gross Unrecognized Gains	Gross Unrecognized Losses	Fair Value	Allowance for Credit Losses
Held-to-maturity:					
U.S. government agency	\$ 88,496	\$ —	\$ (4,850)	\$ 83,646	\$ —
Municipal	28,214	353	(58)	28,509	—
Mortgage-backed:					
Agency residential	75,536	23	(2,544)	73,015	—
Agency commercial	266,500	25	(24,896)	241,629	—
Total held-to-maturity	\$ 458,746	\$ 401	\$ (32,348)	\$ 426,799	\$ —

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	December 31, 2024				
<i>(dollars in thousands)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Available-for-sale:					
U.S. Treasury	\$ 119,690	\$ —	\$ (8,545)	\$ —	\$ 111,145
U.S. government agency	55,742	—	(2,544)	—	53,198
Municipal	150,163	—	(19,484)	—	130,679
Mortgage-backed:					
Agency residential	241,342	253	(14,227)	—	227,368
Agency commercial	128,823	3	(12,145)	—	116,681
Corporate	61,732	156	(2,910)	—	58,978
Total available-for-sale	\$ 757,492	\$ 412	\$ (59,855)	\$ —	\$ 698,049

	December 31, 2024				
<i>(dollars in thousands)</i>	Amortized Cost	Gross Unrecognized Gains	Gross Unrecognized Losses	Fair Value	Allowance for Credit Losses
Held-to-maturity:					
U.S. government agency	\$ 88,472	\$ —	\$ (8,819)	\$ 79,653	\$ —
Municipal	35,862	48	(371)	35,539	—
Mortgage-backed:					
Agency residential	85,643	—	(5,796)	79,847	—
Agency commercial	289,881	—	(39,734)	250,147	—
Total held-to-maturity	\$ 499,858	\$ 48	\$ (54,720)	\$ 445,186	\$ —

As of December 31, 2025 and 2024, the Bank had debt securities with a carrying value of \$412.8 million and \$468.8 million, respectively, which were pledged to secure public deposits, securities sold under agreements to repurchase, available borrowing capacity, and for other purposes required or permitted by law.

The amortized cost and fair value of debt securities by contractual maturity, as of December 31, 2025, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

<i>(dollars in thousands)</i>	Available-for-Sale		Held-to-Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in 1 year or less	\$ 34,128	\$ 33,783	\$ 7,330	\$ 7,257
Due after 1 year through 5 years	173,366	163,765	52,682	51,407
Due after 5 years through 10 years	119,292	112,595	54,764	51,590
Due after 10 years	23,510	22,226	1,934	1,901
Mortgage-backed:				
Agency residential	364,567	360,795	75,536	73,015
Agency commercial	127,004	119,937	266,500	241,629
Total	\$ 841,867	\$ 813,101	\$ 458,746	\$ 426,799

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The following table presents gross unrealized losses and fair value of debt securities available-for-sale that do not have an associated allowance for credit losses as of December 31, 2025 and December 31, 2024, aggregated by category and length of time that individual debt securities have been in a continuous unrealized loss position:

	December 31, 2025					
	Investments in a Continuous Unrealized Loss Position					
	Less than 12 Months		12 Months or More		Total	
	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value
<i>(dollars in thousands)</i>						
Available-for-sale:						
U.S. Treasury	\$ —	\$ —	\$ (4,252)	\$ 85,544	\$ (4,252)	\$ 85,544
U.S. government agency	(18)	2,956	(1,105)	30,744	(1,123)	33,700
Municipal	(35)	4,525	(12,027)	123,881	(12,062)	128,406
Mortgage-backed:						
Agency residential	(231)	45,392	(7,146)	121,114	(7,377)	166,506
Agency commercial	(7)	4,442	(7,167)	95,580	(7,174)	100,022
Corporate	(57)	8,728	(1,388)	24,932	(1,445)	33,660
Total available-for-sale	\$ (348)	\$ 66,043	\$ (33,085)	\$ 481,795	\$ (33,433)	\$ 547,838

	December 31, 2024					
	Investments in a Continuous Unrealized Loss Position					
	Less than 12 Months		12 Months or More		Total	
	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value
<i>(dollars in thousands)</i>						
Available-for-sale:						
U.S. Treasury	\$ —	\$ —	\$ (8,545)	\$ 111,145	\$ (8,545)	\$ 111,145
U.S. government agency	(141)	7,594	(2,403)	45,604	(2,544)	53,198
Municipal	(8)	2,634	(19,476)	127,776	(19,484)	130,410
Mortgage-backed:						
Agency residential	(2,041)	81,055	(12,186)	129,178	(14,227)	210,233
Agency commercial	(125)	3,327	(12,020)	112,118	(12,145)	115,445
Corporate	(4)	1,996	(2,906)	43,064	(2,910)	45,060
Total available-for-sale	\$ (2,319)	\$ 96,606	\$ (57,536)	\$ 568,885	\$ (59,855)	\$ 665,491

As of December 31, 2025, there were 539 debt securities in an unrealized loss position for a period of twelve months or more, and 27 debt securities in an unrealized loss position for a period of less than twelve months.

U.S. Treasury, U.S. government agency, and agency mortgage-backed securities are considered to have no risk of credit loss as they are either explicitly or implicitly guaranteed by the U.S. government. The changes in fair value in these portfolios are considered to be primarily driven by changes in market interest rates and other non-credit risks, such as prepayment and liquidity risks.

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Municipal securities include general obligation bonds which have a very low historical default rate due to issuers generally having taxing authority to service the debt and represent approximately 75% of the total fair value of our municipal securities portfolio as of December 31, 2025. The remainder of the municipal securities are also of high credit quality with ratings of Aa2/AA or better. The Company evaluates credit risk through monitoring credit ratings and reviews of available financial data. The changes in fair value in municipal securities were considered to be primarily driven by changes in market interest rates and other non-credit risks, such as call and liquidity risks. The estimated allowance for credit losses for the municipal debt securities held-to-maturity was deemed insignificant.

Corporate securities include investment grade corporate and bank subordinated debt securities. The Company evaluates credit risk through monitoring credit ratings, reviews of available issuer financial data, and sector trends. The changes in fair value in corporate securities were considered to be primarily driven by changes in market interest rates and other non-credit risks, such as call and liquidity risks.

As of December 31, 2025, the Company did not intend to sell the debt securities that are in an unrealized loss position, and it was more likely than not that the Company would recover the amortized cost prior to being required to sell the debt securities.

Accrued interest on debt securities is excluded from the estimate of credit losses and totaled \$5.5 million and \$5.1 million as of December 31, 2025 and 2024, respectively.

Sales of debt securities were as follows during the year ended December 31:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Proceeds from sales	\$ 4,125	\$ 69,174	\$ 185,280
Gross realized gains	—	—	—
Gross realized losses	(200)	(3,697)	(1,820)

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Equity Securities

Equity securities with readily determinable fair values are measured at fair value with changes in fair value recognized in unrealized gains (losses) on equity securities on the consolidated statements of income. The Company has elected to measure equity securities with no readily determinable fair value at cost minus impairment, if any, plus or minus changes resulting from observable price changes for identical or similar securities of the same issuer.

The initial cost and carrying values of equity securities, with cumulative net unrealized gains and losses were as follows:

	December 31, 2025	
	Readily Determinable Fair Value	No Readily Determinable Fair Value
<i>(dollars in thousands)</i>		
Initial cost	\$ 3,124	\$ 2,981
Cumulative net unrealized gains (losses)	198	(369)
Carrying value	\$ 3,322	\$ 2,612

	December 31, 2024	
	Readily Determinable Fair Value	No Readily Determinable Fair Value
<i>(dollars in thousands)</i>		
Initial cost	\$ 3,124	\$ 2,998
Cumulative net unrealized gains (losses)	191	(369)
Carrying value	\$ 3,315	\$ 2,629

As of December 31, 2025 and December 31, 2024, the cumulative net unrealized losses on equity securities with no readily determinable fair value reflect impairments of \$0.2 million and downward adjustments based on observable price changes of an identical investment of \$0.2 million. There have been no upward adjustments based on observable price changes to equity securities with no readily determinable fair value.

Unrealized gains (losses) on equity securities were as follows during the years ended December 31, 2025 and 2024:

	Year Ended December 31,		
	2025	2024	2023
<i>(dollars in thousands)</i>			
Readily determinable fair value	\$ 7	\$ (25)	\$ 330
No readily determinable fair value	—	(34)	(170)
Unrealized gains (losses) on equity securities	\$ 7	\$ (59)	\$ 160

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NOTE 4 – LOANS AND RELATED ALLOWANCE FOR CREDIT LOSSES

Major categories of loans are summarized as follows:

(dollars in thousands)

	December 31, 2025	December 31, 2024
Commercial and industrial	\$ 399,760	\$ 428,389
Commercial real estate - owner occupied	320,434	322,316
Commercial real estate - non-owner occupied	937,094	899,565
Construction and land development	280,254	374,657
Multi-family	544,941	431,524
One-to-four family residential	445,463	463,968
Agricultural and farmland	275,251	293,375
Municipal, consumer, and other	253,012	252,352
Loans, before allowance for credit losses	3,456,209	3,466,146
Allowance for credit losses	(41,690)	(42,044)
Loans, net of allowance for credit losses	\$ 3,414,519	\$ 3,424,102

Allowance for Credit Losses

Management estimates the allowance for credit losses using relevant available information from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The discounted cash flow method is used to estimate expected credit losses for all loan categories, except for consumer loans where the weighted average remaining maturity method is utilized.

At December 31, 2025, the economic forecast used by management anticipates that the unemployment rate will remain relatively flat and moderate growth in gross domestic product ("GDP") during 2026. After the forecast period, the Company reverts to long-term averages over a 4-quarter reversion period. Additionally, management has made qualitative adjustments to the loss estimates to reflect other factors that influence credit losses.

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The following tables detail activity in the allowance for credit losses:

<i>(dollars in thousands)</i>	Commercial and Industrial	Commercial Real Estate Owner Occupied	Commercial Real Estate Non-owner Occupied	Construction and Land Development	Multi-Family	One-to-four Family Residential	Agricultural and Farmland	Municipal, Consumer, and Other	Total
Balance, December 31, 2022	\$ 3,279	\$ 1,193	\$ 6,721	\$ 4,223	\$ 1,472	\$ 1,759	\$ 796	\$ 5,890	\$ 25,333
Adoption of ASC 326	(822)	587	501	1,969	85	797	1,567	2,299	6,983
PCD allowance established in acquisition	69	127	239	240	68	492	5	7	1,247
Provision for credit losses	2,823	352	187	(487)	1,931	2,004	(1,399)	1,254	6,665
Charge-offs	(428)	(5)	(202)	—	—	(34)	—	(690)	(1,359)
Recoveries	59	18	268	53	281	186	6	308	1,179
Balance, December 31, 2023	4,980	2,272	7,714	5,998	3,837	5,204	975	9,068	40,048
Provision for credit losses	1,677	825	3,407	(1,699)	682	(1,438)	246	54	3,754
Charge-offs	(1,448)	(6)	—	—	(188)	(298)	(62)	(1,282)	(3,284)
Recoveries	148	16	586	3	—	440	11	322	1,526
Balance, December 31, 2024	5,357	3,107	11,707	4,302	4,331	3,908	1,170	8,162	42,044
Provision for credit losses	3,468	1,364	(3,002)	(472)	1,233	(164)	(461)	138	2,104
Charge-offs	(2,449)	(125)	—	(8)	(80)	(548)	(24)	(627)	(3,861)
Recoveries	599	37	—	77	—	339	73	278	1,403
Balance, December 31, 2025	\$ 6,975	\$ 4,383	\$ 8,705	\$ 3,899	\$ 5,484	\$ 3,535	\$ 758	\$ 7,951	\$ 41,690

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Gross charge-offs, further sorted by origination year, were as follows during the year ended December 31, 2025 and 2024.

Gross Charge-Offs for the Year Ended December 31, 2025									
<i>(dollars in thousands)</i>	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2025	2024	2023	2022	2021	Prior			
Commercial and industrial	\$ 12	\$ 1	\$ 905	\$ 195	\$ 46	\$ —	\$ 1,290	\$ —	\$ 2,449
Commercial real estate - owner occupied	—	—	124	—	1	—	—	—	125
Commercial real estate - non-owner occupied	—	—	—	—	—	—	—	—	—
Construction and land development	—	2	—	2	—	4	—	—	8
Multi-family	—	80	—	—	—	—	—	—	80
One-to-four family residential	—	20	—	45	—	480	3	—	548
Agricultural and farmland	—	9	—	—	—	—	15	—	24
Municipal, consumer, and other	371	75	2	—	—	—	179	—	627
Total	\$ 383	\$ 187	\$ 1,031	\$ 242	\$ 47	\$ 484	\$ 1,487	\$ —	\$ 3,861

Gross Charge-Offs for the Year Ended December 31, 2024									
<i>(dollars in thousands)</i>	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2024	2023	2022	2021	2020	Prior			
Commercial and industrial	\$ —	\$ 1,264	\$ 75	\$ —	\$ —	\$ 11	\$ 98	\$ —	\$ 1,448
Commercial real estate - owner occupied	6	—	—	—	—	—	—	—	6
Commercial real estate - non-owner occupied	—	—	—	—	—	—	—	—	—
Construction and land development	—	—	—	—	—	—	—	—	—
Multi-family	—	—	—	188	—	—	—	—	188
One-to-four family residential	—	1	8	15	4	182	88	—	298
Agricultural and farmland	—	—	44	—	—	—	18	—	62
Municipal, consumer, and other	415	63	11	—	—	529	264	—	1,282
Total	\$ 421	\$ 1,328	\$ 138	\$ 203	\$ 4	\$ 722	\$ 468	\$ —	\$ 3,284

HBT FINANCIAL, INC. AND SUBSIDIARIES
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The following tables present loans and the related allowance for credit losses by category:

		December 31, 2025							
<i>(dollars in thousands)</i>	Commercial and Industrial	Commercial Real Estate Owner Occupied	Commercial Real Estate Non-owner Occupied	Construction and Land Development	Multi-Family	One-to-four Family Residential	Agricultural and Farmland	Municipal, Consumer, and Other	Total
Loan balances:									
Collectively evaluated for impairment	\$ 398,573	\$ 318,669	\$ 932,972	\$ 280,254	\$ 544,941	\$ 442,029	\$ 274,086	\$ 239,364	\$ 3,430,888
Individually evaluated for impairment	1,187	1,765	4,122	—	—	3,434	1,165	13,648	25,321
Total	\$ 399,760	\$ 320,434	\$ 937,094	\$ 280,254	\$ 544,941	\$ 445,463	\$ 275,251	\$ 253,012	\$ 3,456,209
Allowance for credit losses:									
Collectively evaluated for impairment	\$ 6,739	\$ 3,764	\$ 8,705	\$ 3,899	\$ 5,484	\$ 3,525	\$ 758	\$ 6,691	\$ 39,565
Individually evaluated for impairment	236	619	—	—	—	10	—	1,260	2,125
Total	\$ 6,975	\$ 4,383	\$ 8,705	\$ 3,899	\$ 5,484	\$ 3,535	\$ 758	\$ 7,951	\$ 41,690
		December 31, 2024							
<i>(dollars in thousands)</i>	Commercial and Industrial	Commercial Real Estate Owner Occupied	Commercial Real Estate Non-owner Occupied	Construction and Land Development	Multi-Family	One-to-four Family Residential	Agricultural and Farmland	Municipal, Consumer, and Other	Total
Loan balances:									
Collectively evaluated for impairment	\$ 427,737	\$ 322,159	\$ 884,832	\$ 374,408	\$ 431,432	\$ 459,790	\$ 293,240	\$ 241,765	\$ 3,435,363
Individually evaluated for impairment	652	157	14,733	249	92	4,178	135	10,587	30,783
Total	\$ 428,389	\$ 322,316	\$ 899,565	\$ 374,657	\$ 431,524	\$ 463,968	\$ 293,375	\$ 252,352	\$ 3,466,146
Allowance for credit losses:									
Collectively evaluated for impairment	\$ 5,344	\$ 3,107	\$ 11,201	\$ 4,269	\$ 4,239	\$ 3,747	\$ 1,170	\$ 5,901	\$ 38,978
Individually evaluated for impairment	13	—	506	33	92	161	—	2,261	3,066
Total	\$ 5,357	\$ 3,107	\$ 11,707	\$ 4,302	\$ 4,331	\$ 3,908	\$ 1,170	\$ 8,162	\$ 42,044

HBT FINANCIAL, INC. AND SUBSIDIARIES
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The following tables present collateral dependent loans, by the primary collateral type, which are individually evaluated to determine expected credit losses, and the related allowance for credit losses allocated to these loans:

<i>(dollars in thousands)</i>	December 31, 2025					
	Amortized Cost					Allowance for Credit Losses
	Primary Collateral Type					
	Real Estate	Vehicles	Other	Total		
Commercial and industrial	\$ —	\$ 362	\$ 825	\$ 1,187	\$ 236	
Commercial real estate - owner occupied	1,765	—	—	1,765	619	
Commercial real estate - non-owner occupied	4,122	—	—	4,122	—	
Construction and land development	—	—	—	—	—	
Multi-family	—	—	—	—	—	
One-to-four family residential	3,434	—	—	3,434	10	
Agricultural and farmland	736	—	429	1,165	—	
Municipal, consumer, and other	9,768	—	3,880	13,648	1,260	
Total	\$ 19,825	\$ 362	\$ 5,134	\$ 25,321	\$ 2,125	

<i>(dollars in thousands)</i>	December 31, 2024					
	Amortized Cost					Allowance for Credit Losses
	Primary Collateral Type					
	Real Estate	Vehicles	Other	Total		
Commercial and industrial	\$ —	\$ 627	\$ 25	\$ 652	\$ 13	
Commercial real estate - owner occupied	157	—	—	157	—	
Commercial real estate - non-owner occupied	14,733	—	—	14,733	506	
Construction and land development	249	—	—	249	33	
Multi-family	92	—	—	92	92	
One-to-four family residential	4,178	—	—	4,178	161	
Agricultural and farmland	—	—	135	135	—	
Municipal, consumer, and other	10,569	5	13	10,587	2,261	
Total	\$ 29,978	\$ 632	\$ 173	\$ 30,783	\$ 3,066	

Accrued interest on loans is excluded from the estimate of credit losses and totaled \$18.2 million and \$19.6 million as of December 31, 2025 and 2024, respectively.

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Past Due and Nonaccrual Status

Past due status is based on the contractual terms of the loan. Typically, loans are placed on nonaccrual when they reach 90 days past due, or when, in management's opinion, there is reasonable doubt regarding the collection of the amounts due through the normal means of the borrower. Interest accrued and unpaid at the time a loan is placed on nonaccrual status is reversed from interest income. Interest payments received on nonaccrual loans are recognized in accordance with our significant accounting policies. Once a loan is placed on nonaccrual status, the borrower must generally demonstrate at least six months of payment performance and we must believe that all remaining principal and interest is fully collectible, before the loan is eligible to return to accrual status.

The following tables present loans by category based on current payment and accrual status:

<i>(dollars in thousands)</i>	December 31, 2025				
	Accruing Interest			Nonaccrual	Total Loans
	Current	30 - 89 Days Past Due	90+ Days Past Due		
Commercial and industrial	\$ 397,254	\$ 1,319	\$ —	\$ 1,187	\$ 399,760
Commercial real estate - owner occupied	318,094	575	—	1,765	320,434
Commercial real estate - non-owner occupied	934,230	2,864	—	—	937,094
Construction and land development	279,980	274	—	—	280,254
Multi-family	544,941	—	—	—	544,941
One-to-four family residential	440,247	1,782	—	3,434	445,463
Agricultural and farmland	274,086	—	—	1,165	275,251
Municipal, consumer, and other	252,814	193	—	5	253,012
Total	\$ 3,441,646	\$ 7,007	\$ —	\$ 7,556	\$ 3,456,209

<i>(dollars in thousands)</i>	December 31, 2024				
	Accruing Interest			Nonaccrual	Total Loans
	Current	30 - 89 Days Past Due	90+ Days Past Due		
Commercial and industrial	\$ 425,859	\$ 1,878	\$ —	\$ 652	\$ 428,389
Commercial real estate - owner occupied	321,805	354	—	157	322,316
Commercial real estate - non-owner occupied	897,445	299	—	1,821	899,565
Construction and land development	373,933	475	—	249	374,657
Multi-family	431,432	—	—	92	431,524
One-to-four family residential	459,069	721	—	4,178	463,968
Agricultural and farmland	293,231	9	—	135	293,375
Municipal, consumer, and other	251,798	182	4	368	252,352
Total	\$ 3,454,572	\$ 3,918	\$ 4	\$ 7,652	\$ 3,466,146

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The following tables present nonaccrual loans with and without a related allowance for credit losses:

	December 31, 2025		
	Nonaccrual With Allowance for Credit Losses	Nonaccrual With No Allowance for Credit Losses	Total Nonaccrual
<i>(dollars in thousands)</i>			
Commercial and industrial	\$ 565	\$ 622	\$ 1,187
Commercial real estate - owner occupied	886	879	1,765
Commercial real estate - non-owner occupied	—	—	—
Construction and land development	—	—	—
Multi-family	—	—	—
One-to-four family residential	133	3,301	3,434
Agricultural and farmland	—	1,165	1,165
Municipal, consumer, and other	—	5	5
Total	\$ 1,584	\$ 5,972	\$ 7,556

	December 31, 2024		
	Nonaccrual With Allowance for Credit Losses	Nonaccrual With No Allowance for Credit Losses	Total Nonaccrual
<i>(dollars in thousands)</i>			
Commercial and industrial	\$ 185	\$ 467	\$ 652
Commercial real estate - owner occupied	—	157	157
Commercial real estate - non-owner occupied	—	1,821	1,821
Construction and land development	216	33	249
Multi-family	92	—	92
One-to-four family residential	654	3,524	4,178
Agricultural and farmland	—	135	135
Municipal, consumer, and other	—	368	368
Total	\$ 1,147	\$ 6,505	\$ 7,652

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Credit Quality Indicators

The Company assigns a risk rating to all loans and periodically performs detailed internal reviews of all loans that are part of relationships with over \$750 thousand in total exposure to identify credit risks and to assess the overall collectability of the portfolio. During these internal reviews, management monitors and analyzes the financial condition of borrowers and guarantors, trends in the industries in which the borrowers operate and the fair values of collateral securing the loans. These credit quality indicators are used to assign a risk rating to each individual loan. Risk ratings are reviewed annually, at a minimum, and on an as needed basis depending on the specific circumstances of the loan. These risk ratings are also subject to review by the Company's regulators, external loan review, and internal loan review. Risk ratings are grouped into the following major categories:

Pass – a pass loan is a credit with no existing or known potential weaknesses deserving of management's close attention.

Pass-Watch – a pass-watch loan is still considered a "pass" credit and is not a classified or criticized asset, but is a reflection of a borrower who exhibits credit weaknesses or downward trends warranting close attention and increased monitoring. These potential weaknesses may result in deterioration of the repayment prospects for the loan. No loss of principal or interest is expected, and the borrower does not pose sufficient risk to warrant a special mention, substandard, or doubtful classification.

Special Mention – a special mention loan has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the assets or in the institution's credit position at some future date. Special mention assets are not adversely classified and do not expose an institution to sufficient risk to warrant adverse classification.

Substandard – a substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Assets so classified must have a well-defined weakness, or weaknesses, that jeopardize the liquidation of the debt. They are characterized as probable that the borrower will not pay principal and interest in accordance with the contractual terms.

Doubtful – a doubtful loan has all the weaknesses inherent in one classified as 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. There were no loans classified as doubtful as of December 31, 2025 and December 31, 2024.

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The following tables present loans by category based on their assigned risk ratings determined by management:

<i>(dollars in thousands)</i>	December 31, 2025				
	Pass	Pass-Watch	Special Mention	Substandard	Total
Commercial and industrial	\$ 369,941	\$ 18,960	\$ 2,591	\$ 8,268	\$ 399,760
Commercial real estate - owner occupied	291,831	17,681	3,774	7,148	320,434
Commercial real estate - non-owner occupied	889,380	33,391	308	14,015	937,094
Construction and land development	269,932	540	975	8,807	280,254
Multi-family	503,133	41,808	—	—	544,941
One-to-four family residential	431,553	5,741	1,646	6,523	445,463
Agricultural and farmland	246,820	13,625	2,494	12,312	275,251
Municipal, consumer, and other	239,322	20	—	13,670	253,012
Total	\$ 3,241,912	\$ 131,766	\$ 11,788	\$ 70,743	\$ 3,456,209

<i>(dollars in thousands)</i>	December 31, 2024				
	Pass	Pass-Watch	Special Mention	Substandard	Total
Commercial and industrial	\$ 404,779	\$ 16,429	\$ 1,957	\$ 5,224	\$ 428,389
Commercial real estate - owner occupied	297,150	14,969	2,713	7,484	322,316
Commercial real estate - non-owner occupied	843,487	21,594	—	34,484	899,565
Construction and land development	351,657	1,376	20,847	777	374,657
Multi-family	411,842	3,855	15,735	92	431,524
One-to-four family residential	448,869	6,641	710	7,748	463,968
Agricultural and farmland	269,926	18,154	521	4,774	293,375
Municipal, consumer, and other	236,686	929	4,107	10,630	252,352
Total	\$ 3,264,396	\$ 83,947	\$ 46,590	\$ 71,213	\$ 3,466,146

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Risk ratings of loans, further sorted by origination year, are as follows as of December 31, 2025:

(dollars in thousands)	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2025	2024	2023	2022	2021	Prior			
Commercial and industrial									
Pass	\$ 45,966	\$ 46,995	\$ 39,709	\$ 30,655	\$ 7,983	\$ 15,680	\$ 171,444	\$ 11,509	\$ 369,941
Pass-Watch	457	145	1,328	254	821	12	15,847	96	18,960
Special Mention	134	—	36	331	—	—	255	1,835	2,591
Substandard	198	514	743	1,122	110	705	3,821	1,055	8,268
Total	\$ 46,755	\$ 47,654	\$ 41,816	\$ 32,362	\$ 8,914	\$ 16,397	\$ 191,367	\$ 14,495	\$ 399,760
Commercial real estate - owner occupied									
Pass	\$ 53,050	\$ 59,585	\$ 20,402	\$ 47,115	\$ 43,983	\$ 50,548	\$ 16,267	\$ 881	\$ 291,831
Pass-Watch	4,739	1,352	199	1,729	1,897	681	7,084	—	17,681
Special Mention	2,274	—	—	—	—	—	1,500	—	3,774
Substandard	2,267	—	158	1,842	1,146	713	457	565	7,148
Total	\$ 62,330	\$ 60,937	\$ 20,759	\$ 50,686	\$ 47,026	\$ 51,942	\$ 25,308	\$ 1,446	\$ 320,434
Commercial real estate - non-owner occupied									
Pass	\$ 224,400	\$ 73,631	\$ 93,259	\$ 193,916	\$ 189,265	\$ 91,394	\$ 21,926	\$ 1,589	\$ 889,380
Pass-Watch	7,645	5,704	391	1,693	2,898	14,314	746	—	33,391
Special Mention	—	42	—	—	266	—	—	—	308
Substandard	11,307	—	194	—	—	2,514	—	—	14,015
Total	\$ 243,352	\$ 79,377	\$ 93,844	\$ 195,609	\$ 192,429	\$ 108,222	\$ 22,672	\$ 1,589	\$ 937,094
Construction and land development									
Pass	\$ 162,752	\$ 56,846	\$ 24,151	\$ 1,460	\$ 12,853	\$ 676	\$ 10,970	\$ 224	\$ 269,932
Pass-Watch	18	245	—	—	—	16	—	261	540
Special Mention	—	—	274	—	—	—	—	701	975
Substandard	—	—	—	8,758	—	49	—	—	8,807
Total	\$ 162,770	\$ 57,091	\$ 24,425	\$ 10,218	\$ 12,853	\$ 741	\$ 10,970	\$ 1,186	\$ 280,254
Multi-family									
Pass	\$ 175,366	\$ 73,457	\$ 45,977	\$ 70,197	\$ 81,169	\$ 53,452	\$ 2,483	\$ 1,032	\$ 503,133
Pass-Watch	—	—	11,990	29,246	572	—	—	—	41,808
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Total	\$ 175,366	\$ 73,457	\$ 57,967	\$ 99,443	\$ 81,741	\$ 53,452	\$ 2,483	\$ 1,032	\$ 544,941
One-to-four family residential									
Pass	\$ 75,509	\$ 25,965	\$ 65,431	\$ 69,197	\$ 56,878	\$ 71,763	\$ 61,555	\$ 5,255	\$ 431,553
Pass-Watch	151	146	632	761	1,089	2,498	233	231	5,741
Special Mention	31	—	598	902	—	—	—	115	1,646
Substandard	435	187	484	353	279	4,486	22	277	6,523
Total	\$ 76,126	\$ 26,298	\$ 67,145	\$ 71,213	\$ 58,246	\$ 78,747	\$ 61,810	\$ 5,878	\$ 445,463
Agricultural and farmland									
Pass	\$ 47,469	\$ 28,223	\$ 27,972	\$ 15,041	\$ 25,152	\$ 20,220	\$ 82,342	\$ 401	\$ 246,820
Pass-Watch	2,367	513	1,047	2,066	868	805	5,878	81	13,625
Special Mention	1,253	—	8	—	5	—	1,148	80	2,494
Substandard	600	331	2,325	1,819	903	3,094	1,687	1,553	12,312
Total	\$ 51,689	\$ 29,067	\$ 31,352	\$ 18,926	\$ 26,928	\$ 24,119	\$ 91,055	\$ 2,115	\$ 275,251

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<i>(dollars in thousands)</i>	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2025	2024	2023	2022	2021	Prior			
Municipal, consumer, and other									
Pass	\$ 58,427	\$ 25,595	\$ 17,346	\$ 17,779	\$ 21,868	\$ 43,957	\$ 54,349	\$ 1	\$ 239,322
Pass-Watch	17	—	—	—	—	1	2	—	20
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	7	5	3	1	9	13,643	2	—	13,670
Total	\$ 58,451	\$ 25,600	\$ 17,349	\$ 17,780	\$ 21,877	\$ 57,601	\$ 54,353	\$ 1	\$ 253,012
Total by risk rating									
Pass	\$ 842,939	\$ 390,297	\$ 334,247	\$ 445,360	\$ 439,151	\$ 347,690	\$ 421,336	\$ 20,892	\$ 3,241,912
Pass-Watch	15,394	8,105	15,587	35,749	8,145	18,327	29,790	669	131,766
Special Mention	3,692	42	916	1,233	271	—	2,903	2,731	11,788
Substandard	14,814	1,037	3,907	13,895	2,447	25,204	5,989	3,450	70,743
Total	\$ 876,839	\$ 399,481	\$ 354,657	\$ 496,237	\$ 450,014	\$ 391,221	\$ 460,018	\$ 27,742	\$ 3,456,209

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Risk ratings of loans, further sorted by origination year, are as follows as of December 31, 2024:

(dollars in thousands)	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2024	2023	2022	2021	2020	Prior			
Commercial and industrial									
Pass	\$ 46,635	\$ 43,007	\$ 44,701	\$ 11,617	\$ 17,913	\$ 41,397	\$ 197,516	\$ 1,993	\$ 404,779
Pass-Watch	475	1,310	186	1,121	—	1,775	10,613	949	16,429
Special Mention	—	281	272	173	—	—	1,231	—	1,957
Substandard	—	1,913	1,016	721	—	—	939	635	5,224
Total	\$ 47,110	\$ 46,511	\$ 46,175	\$ 13,632	\$ 17,913	\$ 43,172	\$ 210,299	\$ 3,577	\$ 428,389
Commercial real estate - owner occupied									
Pass	\$ 63,546	\$ 23,607	\$ 56,509	\$ 48,867	\$ 39,679	\$ 44,108	\$ 19,766	\$ 1,068	\$ 297,150
Pass-Watch	6,478	395	3,698	2,111	542	1,374	371	—	14,969
Special Mention	1,877	—	—	150	—	—	686	—	2,713
Substandard	819	700	506	3,707	1,241	511	—	—	7,484
Total	\$ 72,720	\$ 24,702	\$ 60,713	\$ 54,835	\$ 41,462	\$ 45,993	\$ 20,823	\$ 1,068	\$ 322,316
Commercial real estate - non-owner occupied									
Pass	\$ 92,125	\$ 108,688	\$ 245,168	\$ 222,479	\$ 84,054	\$ 65,935	\$ 23,425	\$ 1,613	\$ 843,487
Pass-Watch	3,173	421	6,656	4,031	2,442	4,871	—	—	21,594
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	23,245	9,191	—	—	—	2,048	—	—	34,484
Total	\$ 118,543	\$ 118,300	\$ 251,824	\$ 226,510	\$ 86,496	\$ 72,854	\$ 23,425	\$ 1,613	\$ 899,565
Construction and land development									
Pass	\$ 181,274	\$ 73,773	\$ 65,045	\$ 21,542	\$ 590	\$ 693	\$ 8,228	\$ 512	\$ 351,657
Pass-Watch	—	—	—	—	—	18	697	661	1,376
Special Mention	—	—	8,750	12,097	—	—	—	—	20,847
Substandard	475	—	216	—	—	86	—	—	777
Total	\$ 181,749	\$ 73,773	\$ 74,011	\$ 33,639	\$ 590	\$ 797	\$ 8,925	\$ 1,173	\$ 374,657
Multi-family									
Pass	\$ 46,969	\$ 80,450	\$ 88,823	\$ 101,284	\$ 50,652	\$ 40,839	\$ 2,375	\$ 450	\$ 411,842
Pass-Watch	2,791	—	567	—	—	492	—	5	3,855
Special Mention	6,936	—	—	—	8,799	—	—	—	15,735
Substandard	92	—	—	—	—	—	—	—	92
Total	\$ 56,788	\$ 80,450	\$ 89,390	\$ 101,284	\$ 59,451	\$ 41,331	\$ 2,375	\$ 455	\$ 431,524
One-to-four family residential									
Pass	\$ 44,914	\$ 87,184	\$ 79,834	\$ 71,466	\$ 57,258	\$ 43,455	\$ 59,446	\$ 5,312	\$ 448,869
Pass-Watch	1,126	1,271	936	242	405	2,252	134	275	6,641
Special Mention	—	—	—	592	118	—	—	—	710
Substandard	281	522	861	473	382	4,824	16	389	7,748
Total	\$ 46,321	\$ 88,977	\$ 81,631	\$ 72,773	\$ 58,163	\$ 50,531	\$ 59,596	\$ 5,976	\$ 463,968
Agricultural and farmland									
Pass	\$ 42,272	\$ 35,593	\$ 32,146	\$ 28,714	\$ 27,865	\$ 7,656	\$ 94,977	\$ 703	\$ 269,926
Pass-Watch	100	2,671	1,424	1,403	508	861	10,633	554	18,154
Special Mention	134	87	—	—	—	—	300	—	521
Substandard	332	51	494	9	3,183	—	319	386	4,774
Total	\$ 42,838	\$ 38,402	\$ 34,064	\$ 30,126	\$ 31,556	\$ 8,517	\$ 106,229	\$ 1,643	\$ 293,375

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<i>(dollars in thousands)</i>	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term	Total
	2024	2023	2022	2021	2020	Prior			
Municipal, consumer, and other									
Pass	\$ 77,779	\$ 37,678	\$ 14,475	\$ 23,204	\$ 12,479	\$ 37,460	\$ 33,611	\$ —	\$ 236,686
Pass-Watch	103	50	6	12	—	757	1	—	929
Special Mention	—	—	—	—	—	4,107	—	—	4,107
Substandard	21	5	33	—	—	10,570	1	—	10,630
Total	<u>\$ 77,903</u>	<u>\$ 37,733</u>	<u>\$ 14,514</u>	<u>\$ 23,216</u>	<u>\$ 12,479</u>	<u>\$ 52,894</u>	<u>\$ 33,613</u>	<u>\$ —</u>	<u>\$ 252,352</u>
Total by risk rating									
Pass	\$ 595,514	\$ 489,980	\$ 626,701	\$ 529,173	\$ 290,490	\$ 281,543	\$ 439,344	\$ 11,651	\$ 3,264,396
Pass-Watch	14,246	6,118	13,473	8,920	3,897	12,400	22,449	2,444	83,947
Special Mention	8,947	368	9,022	13,012	8,917	4,107	2,217	—	46,590
Substandard	25,265	12,382	3,126	4,910	4,806	18,039	1,275	1,410	71,213
Total	<u>\$ 643,972</u>	<u>\$ 508,848</u>	<u>\$ 652,322</u>	<u>\$ 556,015</u>	<u>\$ 308,110</u>	<u>\$ 316,089</u>	<u>\$ 465,285</u>	<u>\$ 15,505</u>	<u>\$ 3,466,146</u>

Modifications

There were no loan modifications to borrowers experiencing financial difficulty during the year ended December 31, 2025. The Company modified one commercial and industrial loan to a borrower experiencing financial difficulty during the year ended December 31, 2024. The modification included an interest rate reduction and a term extension.

As of December 31, 2025, there were no loans modified to borrowers experiencing financial difficulty within the last 12 months. As of December 31, 2024, the loans modified to borrowers experiencing financial difficulty within the last 12 months had a carrying balance of \$0.5 million and were current and performing in accordance with the modified terms.

NOTE 5 – LOAN SERVICING

Mortgage loans serviced for others, which are not included in the accompanying consolidated balance sheets, amounted to \$1.42 billion and \$1.55 billion as of December 31, 2025 and 2024, respectively. Activity in mortgage servicing rights was as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 18,827	\$ 19,001	\$ 10,147
Acquired	—	—	10,469
Capitalized servicing rights	592	726	726
Fair value adjustments attributable to payments and principal reductions	(2,128)	(2,083)	(2,110)
Fair value adjustments attributable to changes in valuation inputs and assumptions	(347)	1,183	(231)
Ending balance	<u>\$ 16,944</u>	<u>\$ 18,827</u>	<u>\$ 19,001</u>

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NOTE 6 - BANK PREMISES AND EQUIPMENT

Bank premises and equipment are stated at cost less accumulated depreciation as follows:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Land, buildings, and improvements	\$ 105,283	\$ 98,426
Furniture, fixtures, and equipment	20,465	26,270
Total bank premises and equipment	125,748	124,696
Less accumulated depreciation	52,106	57,938
Total bank premises and equipment, net	\$ 73,642	\$ 66,758

Depreciation expense by category is as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Buildings and improvements	\$ 2,197	\$ 1,990	\$ 1,879
Furniture, fixtures, and equipment	1,003	954	1,229
Total depreciation expense	\$ 3,200	\$ 2,944	\$ 3,108

NOTE 7 – FORECLOSED ASSETS

Foreclosed assets activity was as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 367	\$ 852	\$ 3,030
Acquired	—	—	271
Transfers from loans	2,040	889	1,143
Proceeds from sales	(1,285)	(1,396)	(4,093)
Net gain on sales	155	112	764
Direct write-downs	(151)	(90)	(263)
Ending balance	\$ 1,126	\$ 367	\$ 852

Gains (losses) on foreclosed assets included the following:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Direct write-downs	\$ (151)	\$ (90)	\$ (263)
Net gain on sales	155	112	764
Gains on foreclosed assets	\$ 4	\$ 22	\$ 501

As of December 31, 2025 and 2024, the carrying value of foreclosed one-to-four family residential real estate properties held was \$0.9 million and \$0.3 million, respectively. As of December 31, 2025, there were 3 one-to-four family residential real estate loans in the process of foreclosure totaling \$0.2 million. As of December 31, 2024, there were 19 one-to-four family residential real estate loans in the process of foreclosure totaling \$1.8 million.

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NOTE 8 - GOODWILL AND OTHER INTANGIBLE ASSETS

The Company did not record additions to goodwill for the years ended December 31, 2025 and 2024. During the year ended December 31, 2023, the Company recorded goodwill of \$30.5 million related to the acquisition of Town and Country.

The following table summarizes the changes in the Company's intangible assets:

<i>(dollars in thousands)</i>	Year Ended December 31,					
	2025		2024		2023	
	Core Deposit Intangible	Customer Relationship Intangible	Core Deposit Intangible	Customer Relationship Intangible	Core Deposit Intangible	Customer Relationship Intangible
Beginning balance	\$ 17,035	\$ 808	\$ 19,774	\$ 908	\$ 1,070	\$ —
Additions	—	—	—	—	21,282	1,000
Amortization	(2,626)	(100)	(2,739)	(100)	(2,578)	(92)
Ending balance	\$ 14,409	\$ 708	\$ 17,035	\$ 808	\$ 19,774	\$ 908
Accumulated amortization	\$ 28,790	\$ 292	\$ 26,164	\$ 192	\$ 23,425	\$ 92

Amortization of intangible assets for the years subsequent to December 31, 2025 is expected to be as follows (dollars in thousands):

Year ended December 31,	
2026	\$ 2,411
2027	2,338
2028	2,255
2029	2,162
2030	2,056
Thereafter	3,895
Total	\$ 15,117

NOTE 9 – DEPOSITS

The Company's deposits are summarized below:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Noninterest-bearing deposits	\$ 1,049,043	\$ 1,046,405
Interest-bearing deposits:		
Interest-bearing demand	1,144,416	1,099,061
Money market	839,097	820,825
Savings	564,220	566,533
Time	762,487	785,430
Total interest-bearing deposits	3,310,220	3,271,849
Total deposits	\$ 4,359,263	\$ 4,318,254

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Reciprocal deposits included in interest-bearing demand deposits, money market deposits, and time deposits totaled \$289.9 million and \$229.4 million as of December 31, 2025 and 2024, respectively. There were no brokered deposits as of December 31, 2025 and 2024.

The aggregate amounts of time deposits in denominations of \$250 thousand or more amounted to \$201.4 million and \$202.2 million as of December 31, 2025 and 2024, respectively. The aggregate amounts of time deposits in denominations of \$100 thousand or more amounted to \$445.7 million and \$455.2 million as of December 31, 2025 and 2024, respectively.

The components of interest expense on deposits were as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Interest-bearing demand	\$ 6,498	\$ 5,499	\$ 3,130
Money market	18,112	18,637	7,352
Savings	1,540	1,621	1,033
Time	25,539	28,183	10,784
Brokered	—	2,107	2,836
Total interest expense on deposits	\$ 51,689	\$ 56,047	\$ 25,135

At December 31, 2025, the scheduled maturities of time deposits are as follows (dollars in thousands):

Year ended December 31,	
2026	\$ 708,504
2027	42,744
2028	6,192
2029	2,646
2030	2,240
Thereafter	161
Total	\$ 762,487

NOTE 10 - SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

Information pertaining to securities sold under agreements to repurchase is as follows:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Balance at end of year	\$ —	\$ 28,969
Weighted average rate as of end of year	—%	2.58%
Fair value of securities underlying the agreements	\$ —	\$ 34,335
Carrying value of securities underlying the agreements	\$ —	\$ 37,628

During the first half of 2025, the Company transitioned the vast majority of repurchase agreement account balances to reciprocal interest-bearing demand deposit accounts. As a result, there were no securities sold under agreements to repurchase as of December 31, 2025.

As of December 31, 2024, all repurchase agreements were sweep instruments. The securities underlying the agreements were under the Company's control in safekeeping at third-party financial institutions, and included debt securities.

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NOTE 11 - BORROWINGS

FHLB advances totaled \$12.3 million with a weighted average interest rate of 0.66% as of December 31, 2025 and totaled \$13.2 million with a weighted average interest rate of 0.54% as of December 31, 2024. The FHLB advances outstanding as of December 31, 2025 mature between 2026 and 2030.

Borrowings from the FHLB are secured by the FHLB stock held by the Company and pledged security in the form of qualifying loans. The loans pledged as of December 31, 2025 and 2024 totaled \$1.96 billion and \$1.91 billion, respectively. As of December 31, 2025 and 2024, loans pledged also served as collateral for credit exposure of \$0.4 million associated with the Bank's participation in the FHLB's Mortgage Partnership Finance Program. As of December 31, 2025 and 2024, loans pledged also served as collateral for letters of credit for the benefit of uninsured public funds deposits totaling \$70.2 million and \$70.0 million, respectively.

The Bank also had available borrowings through the discount window of the Federal Reserve Bank of Chicago. Available borrowings are based on the collateral pledged. As of December 31, 2025 and 2024, debt securities with a carrying value of \$119.6 million and \$108.0 million, respectively, were pledged to secure available borrowings.

NOTE 12 - SUBORDINATED NOTES

The face value and carrying value of the subordinated notes are summarized below:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Subordinated notes, at face value	\$ —	\$ 40,000
Unamortized issuance costs	—	(447)
Subordinated notes, at carrying value	\$ —	\$ 39,553

On September 3, 2020, the Company issued \$40.0 million of fixed-to-floating rate subordinated notes with a maturity date of September 15, 2030. The subordinated notes, which were unsecured obligations of the Company, had a fixed interest rate of 4.50% for the first five years after issuance and thereafter had interest at a floating rate equal to three-month SOFR, as determined on the Floating Interest Determination Date, plus 4.37%. Interest was payable semi-annually during the five year fixed rate period and quarterly during the subsequent five year floating rate period. The subordinated notes had a redemption in whole or in part on any interest payment date on or after September 15, 2025.

On September 15, 2025, the Company redeemed all \$40.0 million of the fixed-to-floating rate subordinated notes issued on September 3, 2020 at a redemption price equal to 100% of the aggregate principal amount of the notes, plus accrued and unpaid interest. As a result of the transaction, the company recognized a \$0.4 million loss on extinguishment of debt, which was included in noninterest expense. The loss represents the acceleration of the unamortized issuance costs.

As of December 31, 2024, 100% of the subordinated notes qualified as Tier 2 capital.

NOTE 13 – JUNIOR SUBORDINATED DEBENTURES ISSUED TO CAPITAL TRUSTS

Eight subsidiary business trusts of the Company have issued floating rate capital securities ("capital securities") which are guaranteed by the Company.

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The Company owns all of the outstanding stock of the subsidiary business trusts. The trusts used the proceeds from the issuance of their capital securities to buy floating rate junior subordinated deferrable interest debentures (“junior subordinated debentures”) issued by the Company. These junior subordinated debentures are the only assets of the trusts and the interest payments from the junior subordinated debentures finance the distributions paid on the capital securities. The junior subordinated debentures are unsecured, rank junior and subordinate in the right of payment to all senior debt of the Company, and have an optional redemption in whole or in part on any interest payment date.

In accordance with GAAP, the trusts are not consolidated in the Company’s financial statements.

The face values and carrying values of the junior subordinated debentures are summarized as follows:

<i>(dollars in thousands)</i>	Face Value	Carrying Value	
		December 31, 2025	December 31, 2024
Heartland Bancorp, Inc. Capital Trust B	\$ 10,310	\$ 10,310	\$ 10,310
Heartland Bancorp, Inc. Capital Trust C	10,310	10,310	10,310
Heartland Bancorp, Inc. Capital Trust D	5,155	5,155	5,155
FFBI Capital Trust I	7,217	7,217	7,217
National Bancorp Statutory Trust I	5,773	4,985	4,919
Town and Country Statutory Trust II	4,124	4,347	4,374
Town and Country Statutory Trust III	7,732	7,601	7,590
West Plains Investors Statutory Trust I	3,093	2,984	2,974
Total	\$ 53,714	\$ 52,909	\$ 52,849

The interest rates on the junior subordinated debentures are variable, reset quarterly, and are equal to the three-month term SOFR, as determined on the SOFR Determination Date immediately preceding the Distribution Payment Date specific to each junior subordinated debenture, plus a fixed percentage.

The interest rates and maturities of the junior subordinated debentures are summarized as follows:

	Variable Interest Rate	Interest Rate at		Maturity Date
		December 31, 2025	December 31, 2024	
Heartland Bancorp, Inc. Capital Trust B	SOFR plus 3.01%	6.92%	7.67%	April 6, 2034
Heartland Bancorp, Inc. Capital Trust C	SOFR plus 1.79	5.51	6.15	June 15, 2037
Heartland Bancorp, Inc. Capital Trust D	SOFR plus 1.61	5.33	5.97	September 15, 2037
FFBI Capital Trust I	SOFR plus 3.06	6.97	7.72	April 6, 2034
National Bancorp Statutory Trust I	SOFR plus 3.16	6.88	7.52	December 15, 2037
Town and Country Statutory Trust II	SOFR plus 3.05	6.76	7.40	March 17, 2034
Town and Country Statutory Trust III	SOFR plus 1.94	5.66	6.30	March 22, 2037
West Plains Investors Statutory Trust I	SOFR plus 1.71	5.43	6.07	June 15, 2037

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The distribution rate payable on the debentures is cumulative and payable quarterly in arrears. The Company has the right, subject to events of default, to defer payments of interest on the junior subordinated debentures at any time by extending the interest payment period for a period not exceeding 20 quarterly periods with respect to each deferral period, provided that no extension period may extend beyond the redemption or maturity date of the junior subordinated debentures. The capital securities are subject to mandatory redemption upon payment of the junior subordinated debentures and carry an interest rate identical to that of the related debenture. The junior subordinated debentures maturity dates may be shortened if certain conditions are met, or at any time within 90 days following the occurrence and continuation of certain changes in either tax treatment or the capital treatment of the junior subordinated debentures or the capital securities. If the junior subordinated debentures are redeemed before they mature, the redemption price will be the principal amount plus any accrued but unpaid interest. The Company has the right to terminate each Capital Trust and cause the junior subordinated debentures to be distributed to the holders of the capital securities in liquidation of such trusts.

Under current banking regulations, bank holding companies are allowed to include qualifying trust preferred securities in their Tier 1 Capital for regulatory capital purposes, subject to a 25% limitation to all core (Tier 1) capital elements, net of goodwill and other intangible assets less any associated deferred tax liability. As of December 31, 2025 and 2024, 100% of the trust preferred securities qualified as Tier 1 capital under the final rule adopted in March 2005.

NOTE 14 – DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are negotiated contracts entered into by two issuing counterparties containing specific agreement terms, including the underlying instrument, amount, exercise price, and maturities. The derivatives accounting guidance requires that the Company recognize all derivative financial instruments as either assets or liabilities at fair value in the consolidated balance sheets. The Company may utilize interest rate swap agreements as part of its asset liability management strategy to help manage its interest rate risk position.

Interest Rate Swaps Designated as Cash Flow Hedges

For derivative instruments that are designated and qualify as a cash flow hedge, the gain or loss on interest rate swaps designated as cash flow hedging instruments, net of tax, is reported as a component of accumulated other comprehensive income (loss) and reclassified into earnings in the same period or periods during which the hedged transactions affect earnings.

The interest rate swap agreement designated as a cash flow hedge was as follows:

	December 31, 2025		December 31, 2024	
	Notional Amount	Fair Value	Notional Amount	Fair Value
<i>(dollars in thousands)</i>				
Fair value recorded in other assets	\$ —	\$ —	\$ 7,000	\$ 38

The interest rate swap agreement matured in April 2025. The effect of interest rate swap agreements designated as cash flow hedges on the consolidated statements of income was as follows:

	Location of gross gain (loss) reclassified from accumulated other comprehensive income (loss) to income			Amounts of gross gain (loss) reclassified from accumulated other comprehensive income (loss)		
				Year Ended December 31,		
				2025	2024	2023
<i>(dollars in thousands)</i>						
Designated as cash flow hedges:						
Junior subordinated debentures interest expense		\$ 38		\$ 348		\$ 468

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Interest Rate Swaps Not Designated as Hedging Instruments

The Company may offer interest rate swap agreements to its commercial borrowers in connection with their risk management needs. The Company manages the interest rate risk associated with these contracts by entering into an equal and offsetting derivative with a third-party financial institution. While these interest rate swap agreements generally work together as an economic interest rate hedge, the Company did not designate them for hedge accounting treatment. Consequently, changes in fair value of the corresponding derivative financial asset or liability were recorded as either a charge or credit to current earnings during the period in which the changes occurred.

The interest rate swap agreements not designated as hedging instruments were as follows:

<i>(dollars in thousands)</i>	December 31, 2025		December 31, 2024	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Fair value recorded in other assets:				
Interest rate swaps with a commercial borrower counterparty	\$ 6,344	\$ 75	\$ —	\$ —
Interest rate swaps with a financial institution counterparty	73,011	2,915	79,416	5,515
Total fair value recorded in other assets	\$ 79,355	\$ 2,990	\$ 79,416	\$ 5,515
Fair value recorded in other liabilities:				
Interest rate swaps with a commercial borrower counterparty	\$ 73,011	\$ (2,915)	\$ 79,416	\$ (5,515)
Interest rate swaps with a financial institution counterparty	6,344	(75)	—	—
Total fair value recorded in other liabilities	\$ 79,355	\$ (2,990)	\$ 79,416	\$ (5,515)

As of December 31, 2025, the interest rate swap agreements not designated as hedging instruments had contractual maturities between 2027 and 2040.

The effect of interest rate contracts not designated as hedging instruments recognized in other noninterest income on the consolidated statements of income was as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Not designated as hedging instruments:			
Gross gains	\$ 4,335	\$ 10,781	\$ 11,198
Gross losses	(4,335)	(10,781)	(11,198)
Net gains (losses)	\$ —	\$ —	\$ —

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Risk Participation Agreements

We have entered into a risk participation agreement to share credit exposure with a counterparty in an interest rate swap agreement associated with a loan participation. Under the risk participation agreement, the Company sold a portion of its credit exposure, receiving an up-front fee, and will be required to make a payment to the counterparty if the loan customer defaults on its obligations. The risk participation agreement matures in 2035 and is summarized as follows:

(dollars in thousands)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Risk participation agreements sold		
Number of risk participation agreements	1	1
Notional amount	\$ 5,268	\$ 5,268
Fair value	(10)	(10)

NOTE 15 – ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the activity and accumulated balances for components of other comprehensive income (loss):

	<u>Unrealized Gains (Losses)</u> <u>on Debt Securities</u>			
	<u>Available-for-Sale</u>	<u>Held-to-Maturity</u>	<u>Derivatives</u>	
(dollars in thousands)				
Balance, December 31, 2022	\$ (61,998)	\$ (9,946)	\$ 185	\$ (71,759)
Other comprehensive income before reclassifications	16,949	—	161	17,110
Reclassifications	1,820	1,954	(468)	3,306
Other comprehensive income (loss), before tax	18,769	1,954	(307)	20,416
Income tax expense (benefit)	5,350	557	(87)	5,820
Other comprehensive income (loss), after tax	13,419	1,397	(220)	14,596
Balance, December 31, 2023	(48,579)	(8,549)	(35)	(57,163)
Other comprehensive income before reclassifications	9,023	—	64	9,087
Reclassifications	3,697	1,992	(348)	5,341
Other comprehensive income (loss), before tax	12,720	1,992	(284)	14,428
Income tax expense (benefit)	3,549	562	(81)	4,030
Other comprehensive income (loss), after tax	9,171	1,430	(203)	10,398
Balance, December 31, 2024	(39,408)	(7,119)	(238)	(46,765)
Other comprehensive income before reclassifications	30,477	—	—	30,477
Reclassifications	200	1,974	(38)	2,136
Other comprehensive income (loss), before tax	30,677	1,974	(38)	32,613
Income tax expense (benefit)	8,589	553	(276)	8,866
Other comprehensive income, after tax	22,088	1,421	238	23,747
Balance, December 31, 2025	\$ (17,320)	\$ (5,698)	\$ —	\$ (23,018)

Reclassifications from accumulated other comprehensive income (loss) for unrealized gains (losses) on debt securities available-for-sale are included in either gains (losses) on sales of securities or provision for credit losses in the accompanying consolidated statements of income.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Reclassifications from accumulated other comprehensive income (loss) for unrealized gains on debt securities held-to-maturity are included in securities interest income in the accompanying consolidated statements of income.

Reclassifications from accumulated other comprehensive income (loss) for the fair value of derivative financial instruments represent net interest payments received or made on derivatives designated as cash flow hedges. See Note 14 for additional information.

NOTE 16 – INCOME TAXES

Allocation of income tax expense between current and deferred portions is as follows:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Current			
Federal	\$ 18,731	\$ 17,090	\$ 12,538
State	8,438	7,517	6,384
Total current	27,169	24,607	18,922
Deferred			
Federal	268	307	2,811
State	61	689	1,006
Total deferred	329	996	3,817
Income tax expense	\$ 27,498	\$ 25,603	\$ 22,739

The Company had no income from foreign sources and therefore had no foreign income tax expense. Income tax expense differs from the statutory federal rate due to the following:

<i>(dollars in thousands)</i>	Year Ended December 31,					
	2025		2024		2023	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Federal income tax, at US statutory rate	\$ 21,946	21.0 %	\$ 20,450	21.0 %	\$ 18,602	21.0 %
Increase (decrease) resulting from:						
State taxes, net of federal benefit	6,711	6.4	6,174	6.3	5,838	6.6
Nontaxable or nondeductible items:						
Federally tax exempt interest income	(1,417)	(1.3)	(1,391)	(1.4)	(1,767)	(2.0)
Other	255	0.2	89	0.1	266	0.3
Tax credits	(186)	(0.2)	(137)	(0.1)	(190)	(0.2)
Other	189	0.2	418	0.4	(10)	—
Income tax expense	\$ 27,498	26.3 %	\$ 25,603	26.3 %	\$ 22,739	25.7 %

The effective tax rate differs from the federal statutory rate primarily due to state taxes, net of the federal tax benefit, and federally tax exempt interest income. Illinois state taxes made up the majority of the state tax effect. Tax credits include projected tax losses from, as well as amortization of, tax credit investments.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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The components of the deferred tax assets and liabilities are as follows:

<i>(dollars in thousands)</i>	December 31, 2025	December 31, 2024
Deferred tax assets		
Allowance for credit losses	\$ 12,709	\$ 12,523
Compensation related	3,146	3,119
Deferred loan fees	965	692
Nonaccrual interest	632	673
Goodwill	—	3
Net operating loss carryforward	62	99
Net unrealized losses on debt securities	10,282	19,424
Other purchase accounting adjustments	2,952	4,012
Other	648	699
Total deferred tax assets	31,396	41,244
Deferred tax liabilities		
Fixed asset depreciation	3,569	3,172
Mortgage servicing rights	4,699	5,224
Intangible assets	4,087	4,899
Prepaid assets	1,087	982
Goodwill	59	—
Other	655	532
Total deferred tax liabilities	14,156	14,809
Net deferred tax asset	\$ 17,240	\$ 26,435

As of December 31, 2025, the Company had an Illinois net operating loss carryforward of \$0.8 million which is available to offset future Illinois taxable income. The Illinois net operating loss carryforward is subject to a \$500 thousand limitation through 2027 and will begin to expire in 2047. Management believes that it is more likely than not that the deferred tax assets included in the balance sheet will be realized, and that a valuation allowance was not required for deferred tax assets as of December 31, 2025 and 2024.

The Company files consolidated federal and state income tax returns. The Company is generally no longer subject to federal or state income tax examinations for years prior to 2022.

NOTE 17 – EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income for the period by the weighted average number of common shares outstanding. Diluted earnings per share is computed using the treasury stock method and reflects the potential dilution from the Company's outstanding restricted stock units and performance restricted stock units.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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The following table sets forth the computation of basic and diluted earnings per share:

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Earnings allocated to participating securities	—	—	(36)
Numerator for earnings per share - basic and diluted	\$ 77,008	\$ 71,780	\$ 65,806
Denominator:			
Weighted average common shares outstanding	31,502,351	31,590,117	31,626,308
Dilutive effect of outstanding restricted stock units	108,953	122,363	111,839
Weighted average common shares outstanding, including all dilutive potential shares	31,611,304	31,712,480	31,738,147
Earnings per share - basic	\$ 2.44	\$ 2.27	\$ 2.08
Earnings per share - diluted	\$ 2.44	\$ 2.26	\$ 2.07

NOTE 18 - EMPLOYEE BENEFIT PLANS

Profit Sharing Plan

During the years ended December 31, 2025, 2024, and 2023, the Company's profit sharing plan contribution expense amounted to \$1.9 million, \$1.8 million, and \$1.7 million, respectively. The Company's contributions vest to employees ratably over a six-year period.

Medical Insurance Benefits

The Company is partially self-insured for medical claims filed by its employees. During the years ended December 31, 2025, 2024, and 2023, medical benefits expense amounted to \$9.4 million, \$7.8 million, and \$6.2 million, respectively.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 19 – STOCK-BASED COMPENSATION PLANS

The Company has adopted the HBT Financial, Inc. Omnibus Incentive Plan (the “Omnibus Incentive Plan”). The Omnibus Incentive Plan provides for grants of (i) stock options, (ii) stock appreciation rights, (iii) restricted shares, (iv) restricted stock units, (v) performance awards, (vi) other share-based awards and (vii) other cash-based awards to eligible employees, non-employee directors and consultants of the Company. The maximum number of shares of common stock available for issuance under the Omnibus Incentive Plan is 1,820,000 shares.

The following is a summary of stock-based compensation expense (benefit):

<i>(dollars in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Restricted stock units	\$ 1,196	\$ 1,061	\$ 1,204
Performance restricted stock units	747	691	749
Total awards classified as equity	1,943	1,752	1,953
Stock appreciation rights	170	(32)	95
Total stock-based compensation expense	\$ 2,113	\$ 1,720	\$ 2,048

Restricted Stock Units

A restricted stock unit grants a participant the right to receive one share of the Company’s common stock, following the completion of the requisite service period. Restricted stock units are classified as equity. Compensation cost is based on the Company’s stock price on the grant date and is recognized on a straight-line basis over the service period for the entire award. Dividend equivalents on restricted stock units, which are accrued until vested, are classified as dividends charged to retained earnings.

During the years ended December 31, 2025, 2024, and 2023, the total grant date fair value of the restricted stock units granted was \$1.1 million, \$1.0 million, and \$1.0 million, respectively, based on the grant date closing prices. The total intrinsic value of restricted stock units that vested during the years ended December 31, 2025, 2024, 2023 were \$1.4 million, \$1.4 million, and \$1.1 million, respectively.

The following is a summary of restricted stock unit activity:

	Year Ended December 31,					
	2025		2024		2023	
	Restricted Stock Units	Weighted Average Grant Date Fair Value	Restricted Stock Units	Weighted Average Grant Date Fair Value	Restricted Stock Units	Weighted Average Grant Date Fair Value
Beginning balance	108,603	\$ 19.71	128,159	\$ 19.56	139,986	\$ 18.01
Granted	43,397	25.00	51,246	19.06	41,847	22.72
Vested	(56,922)	19.59	(70,540)	18.96	(51,693)	17.91
Forfeited	(131)	19.06	(262)	19.06	(1,981)	19.55
Ending balance	94,947	\$ 22.20	108,603	\$ 19.71	128,159	\$ 19.56

As of December 31, 2025, unrecognized compensation cost related to the non-vested restricted stock units was \$0.7 million. This cost is expected to be recognized over the weighted average remaining service period of 1.5 years.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Performance Restricted Stock Units

A performance restricted stock unit is similar to a restricted stock unit, except that the number of shares of the Company's common stock awarded is based on a performance condition and the completion of the requisite service period. The number of shares of the Company's common stock that may be earned ranges from 0% to 150% of the number of performance restricted stock units granted. Performance restricted stock units are classified as equity. Compensation cost is based on the Company's stock price on the grant date and an assessment of the probable outcome of the performance condition. Compensation cost is recognized on a straight-line basis over the service period of the entire award. Changes in the performance condition probability assessment result in cumulative catch-up adjustments to the compensation cost recognized. Dividend equivalents on performance restricted stock units, which are accrued until vested, are classified as dividends charged to retained earnings.

During the years ended December 31, 2025, 2024, and 2023, the total fair value of the performance restricted stock units granted was \$0.4 million, \$0.4 million, and \$0.4 million, respectively, based on the grant date closing prices and an assessment of the probable outcome of the performance condition on the grant date. The total intrinsic value of performance restricted stock units that vested during the year ended December 31, 2025 and 2024 was \$1.1 million and \$0.8 million, respectively.

The following is a summary of performance restricted stock unit activity:

	Year Ended December 31,					
	2025		2024		2023	
	Performance Restricted Stock Units	Weighted Average Grant Date Fair Value	Performance Restricted Stock Units	Weighted Average Grant Date Fair Value	Performance Restricted Stock Units	Weighted Average Grant Date Fair Value
Beginning balance	70,333	\$ 19.59	79,097	\$ 18.25	62,067	\$ 17.02
Granted	16,662	25.00	19,933	19.06	17,030	22.72
Adjustment for performance condition	11,864	18.66	14,349	15.53	—	—
Vested	(42,783)	18.66	(43,046)	15.53	—	—
Forfeited	(2,451)	16.27	—	—	—	—
Ending balance	53,625	\$ 22.07	70,333	\$ 19.59	79,097	\$ 18.25

As of December 31, 2025, unrecognized compensation cost related to non-vested performance restricted stock units was \$0.3 million, based on the current assessment of the probable outcome of the performance conditions. This cost is expected to be recognized over the weighted average remaining service period of 1.2 year.

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Stock Appreciation Rights

A stock appreciation right grants a participant the right to receive an amount of cash, the value of which equals the appreciation in the Company's stock price between the grant date and the exercise date. Stock appreciation rights are classified as liabilities. The liability is based on an option-pricing model used to estimate the fair value of the stock appreciation rights. Compensation cost for non-vested stock appreciation rights is recognized on a straight line basis over the service period of the entire award.

The following is a summary of stock appreciation rights activity:

	Year Ended December 31,					
	2025		2024		2023	
	Stock Appreciation Rights	Weighted Average Grant Date Assigned Value	Stock Appreciation Rights	Weighted Average Grant Date Assigned Value	Stock Appreciation Rights	Weighted Average Grant Date Assigned Value
Beginning balance	73,440	\$ 16.32	73,440	\$ 16.32	73,440	\$ 16.32
Granted	—	—	—	—	—	—
Exercised	(6,120)	16.32	—	—	—	—
Expired	—	—	—	—	—	—
Forfeited	—	—	—	—	—	—
Ending balance	67,320	\$ 16.32	73,440	\$ 16.32	73,440	\$ 16.32

As of December 31, 2025, all stock appreciation rights were exercisable and had a weighted average remaining term of 3.7 years. There was no unrecognized compensation cost for stock appreciation rights as of December 31, 2025.

As of December 31, 2025 and 2024, the liability recorded for outstanding stock appreciation rights was \$0.7 million and \$0.5 million, respectively. The Company uses an option pricing model to value the stock appreciation rights, using the assumptions in the following table. Expected volatility is derived from the historical volatility of the Company's stock price.

	December 31, 2025	December 31, 2024
Risk-free interest rate	3.61 %	4.37 %
Expected volatility	29.60 %	30.95 %
Expected life (in years)	3.7	4.7
Expected dividend yield	3.25 %	3.47 %

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 20 – REGULATORY CAPITAL

The Company (on a consolidated basis) and the Bank are each subject to various regulatory capital requirements administered by the federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by the regulators that, if undertaken, could have a direct material effect on the consolidated financial statements of the Company and the Bank. Additionally, the ability of the Company to pay dividends to its stockholders is dependent upon the ability of the Bank to pay dividends to the Company.

Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of the 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 regulators about components, risk weightings, and other factors. As allowed under the regulations, the Company and the Bank elected to exclude accumulated other comprehensive income, including unrealized gains and losses on debt securities, in the computation of regulatory capital. Prompt corrective action provisions are not applicable to bank holding companies.

Additionally, the Company and the Bank must maintain a “capital conservation buffer” to avoid becoming subject to restrictions on capital distributions and certain discretionary bonus payments to management. The capital conservation buffer is 2.5% of risk-weighted assets.

As of December 31, 2025 and 2024, the Company and the Bank each met all capital adequacy requirements to which they were subject.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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The actual and required capital amounts and ratios of the Company (on a consolidated basis) and the Bank were as follows:

	December 31, 2025					
	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<i>(dollars in thousands)</i>						
Consolidated HBT Financial, Inc.						
Total Capital (to Risk Weighted Assets)	\$ 663,872	16.82 %	\$ 315,844	8.00 %	N/A	N/A
Tier 1 Capital (to Risk Weighted Assets)	620,630	15.72	236,883	6.00	N/A	N/A
Common Equity Tier 1 Capital (to Risk Weighted Assets)	569,335	14.42	177,662	4.50	N/A	N/A
Tier 1 Capital (to Average Assets)	620,630	12.26	202,443	4.00	N/A	N/A
Heartland Bank and Trust Company						
Total Capital (to Risk Weighted Assets)	\$ 651,379	16.52 %	\$ 315,520	8.00 %	\$ 394,400	10.00 %
Tier 1 Capital (to Risk Weighted Assets)	608,137	15.42	236,640	6.00	315,520	8.00
Common Equity Tier 1 Capital (to Risk Weighted Assets)	608,137	15.42	177,480	4.50	256,360	6.50
Tier 1 Capital (to Average Assets)	608,137	12.02	202,314	4.00	252,893	5.00
December 31, 2024						
	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	<i>(dollars in thousands)</i>					
Consolidated HBT Financial, Inc.						
Total Capital (to Risk Weighted Assets)	\$ 652,563	16.51 %	\$ 316,145	8.00 %	N/A	N/A
Tier 1 Capital (to Risk Weighted Assets)	573,203	14.50	237,109	6.00	N/A	N/A
Common Equity Tier 1 Capital (to Risk Weighted Assets)	521,968	13.21	177,831	4.50	N/A	N/A
Tier 1 Capital (to Average Assets)	573,203	11.51	199,167	4.00	N/A	N/A
Heartland Bank and Trust Company						
Total Capital (to Risk Weighted Assets)	\$ 635,878	16.11 %	\$ 315,825	8.00 %	\$ 394,781	10.00 %
Tier 1 Capital (to Risk Weighted Assets)	596,071	15.10	236,869	6.00	315,825	8.00
Common Equity Tier 1 Capital (to Risk Weighted Assets)	596,071	15.10	177,651	4.50	256,608	6.50
Tier 1 Capital (to Average Assets)	596,071	11.98	199,030	4.00	248,787	5.00

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NOTE 21 – SEGMENT INFORMATION

The Company's operations consist of one reportable segment. The President and Chief Executive Officer is the designated chief operating decision maker. The chief operating decision maker uses consolidated financial information for purposes of allocating resources and assessing performance. The chief operating decision maker uses consolidated net income to benchmark the Company against its competitors. The benchmarking analysis coupled with monitoring of budget to actual results are used to assess performance and in establishing compensation. Interest income from loans and investments as well as noninterest income from deposit customer activity, wealth management activities, and mortgage servicing generate the significant revenues. Interest expense, provisions for credit losses, and noninterest expenses such as compensation, occupancy, and data processing costs constitute the significant expenses. Significant revenues and expenses regularly provided to the chief operating decision maker are detailed in the consolidated statements of income.

NOTE 22 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Company has the ability to access as of the measurement date.

Level 2 - Significant observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs that reflect a Company's own assumptions about the assumptions that market participants would use in pricing as asset or liability.

The Company uses fair value to measure certain assets and liabilities on a recurring basis, such as investment securities, mortgage servicing rights, and derivatives. For assets measured at the lower of cost or fair value, the fair value measurement criteria may or may not be met during a reporting period, and such measurements are therefore considered "nonrecurring" for purposes of disclosing the Company's fair value measurements. Fair value is used on a nonrecurring basis to adjust carrying values for loans held for sale, collateral-dependent loans, bank premises held for sale, and foreclosed assets.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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Recurring Basis

The following is a description of the methods and significant assumptions used to measure the fair value of assets and liabilities on a recurring basis.

Investment Securities

When available, the Company uses quoted market prices to determine the fair value of securities; such items are classified in Level 1 of the fair value hierarchy. For the Company's securities where quoted prices are not available for identical securities in an active market, the Company determines fair value utilizing vendors who apply matrix pricing for similar bonds where no price is observable or may compile prices from various sources. These models are primarily industry-standard models that consider various assumptions, including time value, yield curve, volatility factors, prepayment speeds, default rates, loss severity, current market and contractual prices for the underlying financial instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace. Fair values from these models are verified, where possible, against quoted market prices for recent trading activity of assets with similar characteristics to the security being valued. Such methods are generally classified as Level 2; however, when prices from independent sources vary, cannot be obtained or cannot be corroborated, a security is generally classified as Level 3. The change in fair value of debt securities available-for-sale is recorded through an adjustment to the consolidated statement of comprehensive income. The change in fair value of equity securities with readily determinable fair values is recorded through an adjustment to the consolidated statement of income.

Mortgage Servicing Rights

The Company has elected to record its mortgage servicing rights at fair value. Mortgage servicing rights do not trade in an active market with readily observable prices. Accordingly, the Company determines the fair value of mortgage servicing rights by estimating the fair value of the future cash flows associated with the mortgage loans being serviced as calculated by an independent third party. Key economic assumptions used in measuring the fair value of mortgage servicing rights include, but are not limited to, prepayment speeds and discount rates. Due to the nature of the valuation inputs, mortgage servicing rights are classified as Level 3. The change in fair value is recorded through an adjustment to the consolidated statement of income.

Derivative Financial Instruments

Derivative financial instruments are carried at fair value as determined by dealer valuation models. Based on the inputs used, the derivative financial instruments subjected to recurring fair value adjustments are classified as Level 2. For derivative financial instruments designated as hedging instruments, the change in fair value is recorded through an adjustment to the consolidated statement of comprehensive income. For derivative financial instruments not designated as hedging instruments, the change in fair value is recorded through an adjustment to the consolidated statement of income.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following tables summarize assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 and 2024 by level within the fair value hierarchy:

<i>(dollars in thousands)</i>	December 31, 2025			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Debt securities available-for-sale:				
U.S. Treasury	\$ —	\$ 85,544	\$ —	\$ 85,544
U.S. government agency	—	41,422	—	41,422
Municipal	—	140,270	—	140,270
Mortgage-backed:				
Agency residential	—	360,795	—	360,795
Agency commercial	—	119,937	—	119,937
Corporate	—	65,133	—	65,133
Equity securities with readily determinable fair values	3,322	—	—	3,322
Mortgage servicing rights	—	—	16,944	16,944
Derivative financial assets	—	2,990	—	2,990
Derivative financial liabilities	—	3,000	—	3,000

<i>(dollars in thousands)</i>	December 31, 2024			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Debt securities available-for-sale:				
U.S. Treasury	\$ —	\$ 111,145	\$ —	\$ 111,145
U.S. government agency	—	53,198	—	53,198
Municipal	—	130,679	—	130,679
Mortgage-backed:				
Agency residential	—	227,368	—	227,368
Agency commercial	—	116,681	—	116,681
Corporate	—	58,978	—	58,978
Equity securities with readily determinable fair values	3,315	—	—	3,315
Mortgage servicing rights	—	—	18,827	18,827
Derivative financial assets	—	5,553	—	5,553
Derivative financial liabilities	—	5,525	—	5,525

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following tables present additional information about the unobservable inputs used in the fair value measurement of the mortgage servicing rights (dollars in thousands):

December 31, 2025	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Mortgage servicing rights	\$ 16,944	Discounted cash flows	Constant pre-payment rates (CPR)	4.9% to 94.3% (8.1%)
			Discount rate	9.0% to 11.0% (9.6%)

December 31, 2024	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Mortgage servicing rights	\$ 18,827	Discounted cash flows	Constant pre-payment rates (CPR)	0.8% to 94.3% (7.6%)
			Discount rate	9.0% to 96.4% (10.4%)

Nonrecurring Basis

The following is a description of the methods and significant assumptions used to measure the fair value of assets and liabilities on a nonrecurring basis.

Loans Held for Sale

Mortgage loans originated and held for sale are carried at the lower of cost or estimated fair value. The Company obtains quotes or bids on these loans directly from purchasing financial institutions. Typically, these quotes include a premium on the sale and thus these quotes generally indicate fair value of the held for sale loans is greater than cost. Loans held for sale have been classified as Level 2.

Collateral-Dependent Loans

Periodically, a collateral-dependent loan is evaluated individually and is reported at the fair value of the underlying collateral, less estimated costs to sell, if repayment is expected solely from the collateral. If the collateral value is not sufficient, a specific reserve is recorded. Collateral values are estimated using recent appraisals and customized discounting criteria. Due to the significance of unobservable inputs, fair values of collateral-dependent loans have been classified as Level 3.

Bank Premises Held for Sale

Bank premises held for sale are recorded at the lower of cost or fair value, less estimated selling costs, at the date classified as held for sale. Values are estimated using recent appraisals and customized discounting criteria. Due to the significance of unobservable inputs, fair values of bank premises held for sale have been classified as Level 3.

Foreclosed Assets

Foreclosed assets are recorded at fair value based on property appraisals, less estimated selling costs, at the date of the transfer. Subsequent to the transfer, foreclosed assets are carried at the lower of cost or fair value, less estimated selling costs. Values are estimated using recent appraisals and customized discounting criteria. Due to the significance of unobservable inputs, fair values of foreclosed assets have been classified as Level 3.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following tables summarize assets measured at fair value on a nonrecurring basis as of December 31, 2025 and 2024 by level within the fair value hierarchy:

<i>(dollars in thousands)</i>	December 31, 2025			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Loans held for sale	\$ —	\$ 1,263	\$ —	\$ 1,263
Collateral-dependent loans	—	—	23,196	23,196
Foreclosed assets	—	—	1,126	1,126

<i>(dollars in thousands)</i>	December 31, 2024			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Loans held for sale	\$ —	\$ 1,586	\$ —	\$ 1,586
Collateral-dependent loans	—	—	27,717	27,717
Bank premises held for sale	—	—	317	317
Foreclosed assets	—	—	367	367

The following tables present quantitative information about unobservable inputs used in nonrecurring Level 3 fair value measurements (dollars in thousands):

December 31, 2025	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Collateral-dependent loans	\$ 23,196	Appraisal of collateral	Appraisal adjustments	Not meaningful
Foreclosed assets	1,126	Appraisal	Appraisal adjustments	7% (7%)

December 31, 2024	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Collateral-dependent loans	\$ 27,717	Appraisal of collateral	Appraisal adjustments	Not meaningful
Bank premises held for sale	317	Appraisal	Appraisal adjustments	7% (7%)
Foreclosed assets	367	Appraisal	Appraisal adjustments	7% (7%)

Other Fair Value Methods

The following methods and assumptions were used by the Company in estimating fair value disclosures of its other financial instruments.

Cash and Cash Equivalents

The carrying amounts of these financial instruments approximate their fair values.

Restricted Stock

The carrying amount of FHLB stock approximates fair value based on the redemption provisions of the FHLB.

Loans

The fair value estimation process for the loan portfolio uses an exit price concept and reflects discounts the Company believes are consistent with discounts in the marketplace. Fair values are estimated for portfolios of

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

loans with similar characteristics. Loans are segregated by type such as commercial and industrial, agricultural and farmland, commercial real estate – owner occupied, commercial real estate – non-owner occupied, multi-family, construction and land development, one-to-four family residential, and municipal, consumer, and other. The fair value of loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for similar maturities. The fair value analysis also includes other assumptions to estimate fair value, intended to approximate those a market participant would use in an orderly transaction, with adjustments for discount rates, interest rates, liquidity, and credit spreads, as appropriate.

Investments in Unconsolidated Subsidiaries

The fair values of the Company's investments in unconsolidated subsidiaries are presumed to approximate carrying amounts.

Time Deposits

Fair values of certificates of deposit with stated maturities have been estimated using the present value of estimated future cash flows discounted at rates currently offered for similar instruments. Time deposits also include public funds time deposits.

Securities Sold Under Agreements to Repurchase

The fair values of repurchase agreements with variable interest rates are presumed to approximate their recorded carrying amounts.

FHLB Advances

The fair values of FHLB advances are estimated using discounted cash flow analyses based on current rates offered for borrowings with similar remaining maturities and characteristics.

Subordinated Notes

The fair values of subordinated notes are estimated using discounted cash flow analyses based on rates observed on recent debt issuances by other financial institutions.

Junior Subordinated Debentures

The fair values of subordinated debentures are estimated using discounted cash flow analyses based on rates observed on recent debt issuances by other financial institutions.

Accrued Interest

The carrying amounts of accrued interest approximate fair value.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table provides summary information on the carrying amounts and estimated fair values of the Company's other financial instruments:

	Fair Value Hierarchy Level	December 31, 2025		December 31, 2024	
		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
<i>(dollars in thousands)</i>					
Financial assets:					
Cash and cash equivalents	Level 1	\$ 122,269	\$ 122,269	\$ 137,692	\$ 137,692
Debt securities held-to-maturity	Level 2	458,746	426,799	499,858	445,186
Restricted stock	Level 3	4,979	4,979	5,086	5,086
Loans, net	Level 3	3,414,519	3,379,845	3,424,102	3,418,318
Investments in unconsolidated subsidiaries	Level 3	1,614	1,614	1,614	1,614
Accrued interest receivable	Level 2	23,779	23,779	24,770	24,770
Financial liabilities:					
Time deposits	Level 3	762,487	759,589	785,430	779,997
Securities sold under agreements to repurchase	Level 2	—	—	28,969	28,969
FHLB advances	Level 3	12,301	11,465	13,231	13,159
Subordinated notes	Level 3	—	—	39,553	38,316
Junior subordinated debentures	Level 3	52,909	51,696	52,849	47,942
Accrued interest payable	Level 2	3,813	3,813	5,096	5,096

The Company estimated the fair value of lending related commitments as described in Note 23 to be immaterial based on limited interest rate exposure due to their variable nature, short-term commitment periods, and termination clauses provided in the agreements.

Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. Because no market exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair values have been estimated using data which management considered the best available and estimation methodologies deemed suitable for the pertinent category of financial instrument.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 23 – COMMITMENTS AND CONTINGENCIES**Financial Instruments**

The Bank is party to credit-related financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Such instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the consolidated balance sheets.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

Such commitments and conditional obligations were as follows:

<i>(dollars in thousands)</i>	Contractual Amount	
	December 31, 2025	December 31, 2024
Commitments to extend credit	\$ 855,014	\$ 845,413
Standby letters of credit	29,727	18,329

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary, by the Bank upon extension of credit is based on management's credit evaluation of the customer. Collateral held varies, but may include real estate, accounts receivable, inventory, equipment, and income-producing properties.

Standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those standby letters of credit are primarily issued to support extensions of credit. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loans to customers. The Bank secures the standby letters of credit with the same collateral used to secure the related loan.

Allowance for Credit Losses on Unfunded Lending-related Commitments

The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancelable by the Company. The allowance for credit losses on unfunded commitments is included in other liabilities on the consolidated balance sheets and is adjusted through a charge to provision for credit loss expense on the consolidated statements of income. The allowance for credit losses on unfunded commitments estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. The allowance for credit losses on unfunded commitments was \$4.1 million and \$3.1 million as of December 31, 2025 and 2024, respectively.

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Legal Contingencies

In the normal course of business, the Company, or its subsidiaries, are involved in various legal proceedings. In the opinion of management, any liability resulting from pending proceedings would not be expected to have a material adverse effect on the Company's consolidated financial statements.

DeBaere, et al v. Heartland Bank and Trust Company

The Bank was a defendant in a purported class action lawsuit filed in June 2020, in the Circuit Court of Cook County, Illinois. The plaintiff, a customer of the Bank, alleges that the Bank breached its contract with the plaintiff by (1) charging multiple insufficient funds fees or overdraft fees on a single customer-initiated transaction, and (2) charging overdraft fees for transactions that were authorized on a positive account balance, but when settled, settled into a negative balance.

Miller, et al v. State Bank of Lincoln and Heartland Bank and Trust Company

The Bank was a defendant in a purported class action lawsuit filed in May 2020, in the Circuit Court of Logan County, Illinois. The plaintiff, a customer of State Bank of Lincoln, which previously merged with the Bank, alleges that the Bank breached its contract with the plaintiff by charging multiple insufficient funds fees or overdraft fees on a single customer-initiated transaction.

On May 15, 2023, the Bank reached an agreement in principle to settle both the *DeBaere, et al* and *Miller, et al* cases in which the Bank would make one-time cash payments totaling \$3.4 million, without admitting fault, to release the Bank from further liability and claims in both the cases.

Definitive settlement agreements reflecting the terms of the agreement in principle were approved by the Court on December 15, 2023 in the *DeBaere, et al* case and on February 16, 2024 in the *Miller, et al* case. The Bank made the one-time cash payments totaling \$3.4 million during the year ended December 31, 2023. The settlements do not include any admission of liability or wrongdoing by the Bank, and the Bank expressly denies any liability or wrongdoing with respect to any matter alleged in the Class Action and Receiver's Action. The Bank agreed to the settlements to avoid the cost, risks and distraction of continued litigation. The Company believes the settlements are in the best interests of the Company and its shareholders.

An initial \$2.6 million accrual was recognized in other noninterest expense during the year ended December 31, 2022, reflecting management's best estimate at that time, and an additional \$0.8 million accrual was recognized in other noninterest expense during the the year ended December 31, 2023, following the agreement in principle to settle both the *DeBaere, et al* and *Miller, et al* cases.

John Pickett v. Town and Country Bank

The Bank is a defendant in a purported class action lawsuit filed in October 2023, in the Circuit Court of Sangamon County, Illinois. The plaintiff, a customer of Town and Country Bank, which previously merged with the Bank, alleges that the Bank breached its contract with the plaintiff by charging overdraft fees for transactions that were authorized on a positive account balance, but when settled, settled into a negative balance.

On March 29, 2024, the Bank reached an agreement in principle to settle this case in which the Bank would make a one-time cash payment of \$0.3 million, without admitting fault, to release the Bank from further liability and claims in the case.

A definitive settlement agreement reflecting the terms of the agreement in principle was approved by the Court on July 9, 2024. The Bank made the one-time cash payment of \$0.3 million during the year ended December 31, 2024. The settlement does not include any admission of liability or wrongdoing by the Bank, and the Bank expressly denies any liability or wrongdoing with respect to any matter alleged in the case. The Bank has agreed to the settlement to avoid the cost, risks, and distraction of continued litigation. The Company believes the settlement is in the best interests of the Company and its shareholders.

HBT FINANCIAL, INC. AND SUBSIDIARIES
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An initial accrual of \$0.2 million was recorded during the year ended December 31, 2023, reflecting management's best estimate at that time, and an additional \$0.1 million accrual was recorded during the year ended December 31, 2024.

NOTE 24 - RELATED PARTY TRANSACTIONS

Loans

As of December 31, 2025 and 2024, loans to directors, executive officers, principal shareholders and their affiliated entities ("related parties") totaled \$0.3 million and \$0.5 million, respectively. These loans were made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing for comparable loans with persons not related to us.

Deposits

As of December 31, 2025 and 2024, deposits of related parties totaled \$5.5 million and \$4.8 million, respectively.

NOTE 25 - CONDENSED PARENT COMPANY ONLY FINANCIAL STATEMENTS

Following are the condensed parent company only financial statements of HBT Financial.

Condensed Parent Company Only Balance Sheets

(dollars in thousands)

	December 31, 2025	December 31, 2024
ASSETS		
Cash and cash equivalents	\$ 11,850	\$ 16,179
Investment in subsidiaries:		
Bank	654,269	618,914
Non-bank	1,614	1,614
Other assets	1,879	1,929
Total assets	\$ 669,612	\$ 638,636
LIABILITIES		
Subordinated notes	\$ —	\$ 39,553
Junior subordinated debentures	52,909	52,849
Other liabilities	1,205	1,629
Total liabilities	54,114	94,031
STOCKHOLDERS' EQUITY		
Total liabilities and stockholders' equity	\$ 669,612	\$ 544,605

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Condensed Parent Company Only Statements of Income

<i>(dollars in thousands)</i>	Year ended December 31,		
	2025	2024	2023
INCOME			
Dividends received from bank subsidiary	\$ 72,500	\$ 34,000	\$ 64,000
Undistributed earnings from bank subsidiary	11,846	44,684	9,199
Other income	146	183	870
Total income	84,492	78,867	74,069
EXPENSES			
Interest expense	4,975	5,729	5,409
Other expense	5,364	4,106	5,517
Total expenses	10,339	9,835	10,926
INCOME BEFORE INCOME TAX BENEFIT	74,153	69,032	63,143
TAX BENEFIT	(2,855)	(2,748)	(2,699)
NET INCOME	\$ 77,008	\$ 71,780	\$ 65,842

HBT FINANCIAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Parent Company Only Statements of Cash Flow

<i>(dollars in thousands)</i>	Year ended December 31,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 77,008	\$ 71,780	\$ 65,842
Adjustments to reconcile net income to net cash provided by operating activities:			
Undistributed earnings of consolidated subsidiaries	(11,846)	(44,684)	(9,199)
Stock-based compensation	1,943	1,752	1,953
Loss on extinguishment of subordinated debt	391	—	—
Amortization of discount and issuance costs on subordinated notes and debentures	116	139	139
Net gain on sale of foreclosed assets	—	—	(563)
Changes in other assets and liabilities, net	(136)	(1,105)	360
Net cash provided by operating activities	67,476	27,882	58,532
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales of equity securities	—	20	—
Proceeds from sale of foreclosed assets	—	—	2,888
Net cash paid for acquisition of Town and Country	—	—	(37,523)
Net cash provided by (used in) investing activities	—	20	(34,635)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of subordinated notes	(40,000)	—	—
Taxes paid related to the vesting of restricted stock units	(691)	(331)	(181)
Repurchase of common stock	(4,505)	(4,423)	(8,907)
Cash dividends and dividend equivalents paid	(26,609)	(24,183)	(21,873)
Net cash used in financing activities	(71,805)	(28,937)	(30,961)
NET DECREASE IN CASH AND EQUIVALENTS	(4,329)	(1,035)	(7,064)
CASH AND CASH EQUIVALENTS			
Beginning of year	16,179	17,214	24,278
End of year	\$ 11,850	\$ 16,179	\$ 17,214

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES.

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

An evaluation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Exchange Act) as of the end of the period covered by this report was carried out under the supervision and with the participation of the Company's Chief Executive Officer, Chief Financial Officer and other members of the Company's senior management. The Company's Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2025, the end of the period covered by this report, the Company's disclosure controls and procedures were effective in ensuring that the information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is: (i) accumulated and communicated to the Company's management (including the Chief Executive Officer and Chief Financial Officer) to allow timely decisions regarding required disclosure; and (ii) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting. Internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of published financial statements. Internal control over financial reporting includes self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. This assessment was based on criteria for effective internal control over financial reporting established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013. Based on this assessment, our Chief Executive Officer and Chief Financial Officer have determined that the Company maintained effective internal control over financial reporting as of December 31, 2025 based on the specified criteria.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

RSM US LLP, the independent registered public accounting firm that audited the Company's Consolidated Financial Statements included in this Annual Report, has issued an audit opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. The report, which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025, is included in this Item.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of HBT Financial, Inc.

Opinion on the Internal Control Over Financial Reporting

We have audited HBT Financial, Inc. and Subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2025, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows of the Company for each of the three years in the period ended December 31, 2025, and the related notes to the consolidated financial statements and our report dated March 6, 2026 expressed an unqualified opinion.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ RSM US LLP

Chicago, Illinois
March 6, 2026

ITEM 9B. OTHER INFORMATION

During the fiscal quarter ended December 31, 2025, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our Code of Ethics applies to all of our officers, directors and employees, including our principal executive officer, principal financial officer and principal accounting officer. The Code of Ethics is publicly available on our internet website at ir.hbtfinancial.com. We intend to satisfy the disclosure requirements of Item 5.05 of Form 8-K regarding any amendment to, or waiver from, a provision of the Code of Ethics that applies to our principal executive officer, principal financial officer or principal accounting officer and relates to any element of the definition of code of ethics set forth in Item 406(b) of Regulation S-K by posting such information on our website, ir.hbtfinancial.com.

All other information required by this item is set forth under the captions "Proposal 1—Election of Directors," "Board of Directors, Board Meetings and Committees," "Stock Ownership Matters," and "Executive Officers" in the Company's Definitive Proxy Statement for the 2026 Annual Meeting of Stockholders (the "Definitive Proxy Statement") and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

All information required by this item is set forth under the captions "Executive Compensation," "Compensation Discussion and Analysis," "Compensation Committee Report," "Compensation Committee Interlocks and Insider Participation", and "Director Compensation" in the Company's Definitive Proxy Statement and is herein incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table summarizes information as of December 31, 2025 relating to our equity compensation plans pursuant to which grants of options, restricted stock or other rights to acquire shares may be granted from time to time.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (A)	Weighted-Average exercise price of outstanding options, warrants and rights (B) ⁽²⁾	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A)) (C)
Equity compensation plans approved by security holders	175,385 ⁽¹⁾	\$ —	1,380,433 ⁽³⁾
Equity compensation plans not approved by security holders	—	—	—
Total	175,385	\$ —	1,380,433

(1) Balance reflects the assumed payout of outstanding performance restricted stock units awards at maximum level and outstanding restricted stock unit awards and does not include any outstanding stock appreciation rights, which settle exclusively in cash. Balance relates solely to outstanding awards under the Omnibus Incentive Plan.

(2) This "Weighted-Average exercise price of outstanding options, warrants and rights" column does not reflect the outstanding restricted stock unit or performance share unit awards. Because there are no outstanding awards that have exercise prices, no weighted-average exercise price is provided in this column.

(3) Reflects the number of shares that remain available for issuance under the Omnibus Incentive Plan.

All other information required by this item is set forth under the caption "Stock Ownership Matters—Security Ownership of Management and Certain Beneficial Owners" in the Company's Definitive Proxy Statement and is herein incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

All information required by this item is set forth under the caption "Certain Relationships and Related Party Transactions" in the Company's Definitive Proxy Statement and is herein incorporated by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

All information required by this item is set forth under the caption "Proposal 4—Ratification of the Appointment of the Independent Registered Public Accounting Firm" in the Company's Definitive Proxy Statement and is herein incorporated by reference.

PART IV.**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a)(1). See Index to Consolidated Financial Statements on page [78](#).

(a)(2). Financial Statement Schedule

All financial statement schedules are omitted because they are either not applicable or not required, or because the required information is included in the Consolidated Financial Statements or the Notes thereto included in Part II, Item 8.

(a)(3). Exhibits

Exhibit No.	Description
3.1	Restated Certificate of Incorporation of HBT Financial, Inc. (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, filed with the Commission on October 30, 2019).
3.2	Amended and Restated By-law of HBT Financial, Inc. (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-8, filed with the Commission on October 30, 2019).
4.1	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1/A, filed with the Commission on October 1, 2019).
4.2	Description of Common Stock (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K, filed with the Commission on March 27, 2020).
9.1	Voting Trust Agreement, dated as of May 4, 2016, among Fred L. Drake, the Company and the depositors party thereto (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1, filed with the Commission on September 13, 2019).
10.1	Amended Restated Stockholder Agreement, dated as of September 27, 2019, by and among the Company and the stockholders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1/A, filed with the Commission on October 1, 2019).
10.2	Registration Rights Agreement, dated as of October 16, 2019, by and among the Company and the stockholders party thereto (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the Commission on November 20, 2019).
10.3 §	HBT Financial, Inc. Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-8, filed with the Commission on October 30, 2019).
10.4 §	Amended and Restated Employment Agreement, dated as of February 22, 2021, by and between the Company and Fred L. Drake (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Commission on February 25, 2021).
10.5 §	Amended and Restated Employment Agreement, dated as of February 22, 2021, by and between the Company and J. Lance Carter (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the Commission on February 25, 2021).
10.6 §	Amended and Restated Employment Agreement, dated as of February 22, 2021, by and between the Company and Mark W. Scheirer (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K, filed with the Commission on March 7, 2025).
10.7 §	Employment Agreement, effective October 1, 2022, by and among HBT Financial, Inc., Heartland Bank and Trust Company and Peter Chapman (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Commission on August 18, 2022).
10.8 §	Amended and Restated Employment Agreement, dated January 1, 2023, by and between the Company, the Bank, and Lawrence J. Horvath (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K, filed with the Commission on March 7, 2025).

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10.9 §	Amendment to Amended and Restated Employment Agreement, dated March 5, 2025, by and between the Company, the Bank, and Fred L. Drake (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on May 2, 2025).
10.10 §	Amendment to Amended and Restated Employment Agreement, dated March 5, 2025, by and between the Company, the Bank, and J. Lance Carter (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on May 2, 2025).
10.11 §	Amendment to Employment Agreement, dated March 5, 2025, by and between the Company, the Bank, and Peter Chapman (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on May 2, 2025).
10.12 §	Amendment to the Amended and Restated Employment Agreement, dated March 5, 2025, by and between the Company, the Bank, and Lawrence J. Horvath (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on May 2, 2025).
10.13 §	Amendment to the Amended and Restated Employment Agreement, dated March 5, 2025, by and between the Company, the Bank, and Mark W. Scheirer (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on May 2, 2025).
10.14 §	Form of Stock Appreciation Rights Agreement (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1, filed with the Commission on September 13, 2019).
10.15 §	Form of Option Award Agreement (incorporated by reference to Exhibit 10.8 to the Company's Registration Statement on Form S-1/A, filed with the Commission on October 1, 2019).
10.16 §	Form of Restricted Shares Award Agreement (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1/A, filed with the Commission on October 1, 2019).
10.17 §	Form of Director Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K, filed with the Commission on March 12, 2021).
10.18 §	Form of Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K, filed with the Commission on March 11, 2022).
10.19 §	Form of Performance Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K, filed with the Commission on March 8, 2023).
19.1 *	Insider Trading Policy.
21.1 *	Subsidiaries of the Registrant.
23.1 *	Consent of RSM US LLP.
31.1 *	Certification of the Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2 *	Certification of the Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1 **	Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 **	Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1 *	Incentive Compensation Clawback Policy.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.

101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith.

** This exhibit is furnished herewith and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

§ A management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 601 of Regulation S-K.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

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

HBT FINANCIAL, INC.

Dated: March 6, 2026

By: /s/ Peter R. Chapman

Peter R. Chapman

Chief Financial Officer

(on behalf of the registrant and as principal financial officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ J. Lance Carter</u> J. Lance Carter	President, Chief Executive Officer, and Director (Principal executive officer)	March 6, 2026
<u>/s/ Peter R. Chapman</u> Peter R. Chapman	Executive Vice President and Chief Financial Officer (Principal financial officer and principal accounting officer)	March 6, 2026
<u>/s/ Fred L. Drake</u> Fred L. Drake	Executive Chairman and Director	March 6, 2026
<u>/s/ Roger A. Baker</u> Roger A. Baker	Director	March 6, 2026
<u>/s/ C. Alvin Bowman</u> C. Alvin Bowman	Director	March 6, 2026
<u>/s/ Eric E. Burwell</u> Eric E. Burwell	Director	March 6, 2026
<u>/s/ Patrick F. Busch</u> Patrick F. Busch	Director	March 6, 2026
<u>/s/ Allen C. Drake</u> Allen C. Drake	Director	March 6, 2026
<u>/s/ Linda J. Koch</u> Linda J. Koch	Director	March 6, 2026
<u>/s/ Gerald E. Pfeiffer</u> Gerald E. Pfeiffer	Director	March 6, 2026
<u>/s/ Nancy L. Ruyle</u> Nancy L. Ruyle	Director	March 6, 2026
<u>/s/ James T. Ashworth</u> James T. Ashworth	Director	March 6, 2026

HBT Financial, Inc.
INSIDER TRADING POLICY
October 2025

Purpose

The Board of Directors (the “Board”) of HBT Financial, Inc. (together with its subsidiaries, the “Company”) has adopted this Insider Trading Policy (this “Policy”) for the Company’s officers, directors and employees with respect to their trading activities.

For purposes of this Policy, the term “employee” includes all employees, independent contractors, advisors and consultants of the Company. The federal securities laws prohibit any member of the Board or employee of the Company from purchasing or selling any securities of the Company on the basis of material, nonpublic information (as defined in Appendix A of this Policy) concerning the Company, or from disclosing material, nonpublic information to others who might trade on the basis of that information. These laws impose severe sanctions on individuals who violate them and may impose large fines on the Company if the Company fails to take appropriate steps to prevent violations. This Policy is designed to prevent insider trading, or allegations of insider trading, and to protect the Company’s reputation for integrity and ethical conduct.

Applicability of This Policy

This Policy applies to the Company’s officers, directors and employees, as well as to their family members (as defined below) and to any partnership, trust or other entity under the control of an officer, director or employee of the Company or his or her family members (collectively, “Covered Persons”). As used in this Policy, the term “family members” means children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law or sisters-in-law and any adoptive or guardianship relationships, provided that such family member either (i) shares one’s household or (ii) is materially dependent upon one for financial support.

Covered Persons are responsible for ensuring that the purchase or sale of any Securities (as defined below) complies with this Policy, which imposes three principal restrictions with respect to trading activity:

- a prohibition against insider trading or tipping;
- a prohibition against specified transactions in Company securities; and
- trading restrictions.

Prohibition Against Insider Trading

Company Securities. This Policy applies to all of the Company’s securities, including, without limitation, common stock, preferred stock, debt securities and derivative securities, which are securities whose value is derived from the value of Securities, such as exchange-traded put or call options or swaps relating to the Company’s securities (collectively, the “Securities”). Covered Persons may not, directly or indirectly, engage in any transaction involving the purchase or sale of Securities if they are aware of material nonpublic information relating the Company (see Appendix A of this Policy for definitions and discussions of “material” and “nonpublic”).

Covered Companies. The prohibition on insider trading set forth in this Policy is also applicable to trading in securities of other firms, including customers or vendors of the Company and those with which the Company may be negotiating major transactions, such as an acquisition, investment or sale. Information that is not material to the Company may nevertheless be material to one of these other firms. The prohibition is also applicable to trading in securities of other firms if the Covered Person engaging in the trading activity is aware of material nonpublic information about such other firm, including information obtained while serving as a director, officer or employee of such other firm.

Unauthorized Disclosure. Covered Persons may not pass on material nonpublic information to others without the approval of the Board or recommend to anyone the purchase or sale of any Securities or any securities of other firms when they are aware of such information. This practice is known as “tipping” and violates the securities laws, even if the Covered Person does not trade or gain any benefit from another person’s trading.

Prohibited Transactions in Securities

Certain Transactions Under Company Plans and Other Transactions. Certain transactions under plans maintained or sponsored by the Company may involve the purchase or sale of Securities at a time when a Covered Person is in possession of material nonpublic information. Accordingly, this Policy will apply to certain transactions under these plans and will not apply to others.

- *Stock Option Exercises.* This Policy’s trading restrictions apply to the exercise of a stock option if a Covered Person, directly or indirectly, sells any of the shares he or she received as a result of the option exercise, including as part of a broker-assisted cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option. This Policy does not apply to the surrender to the Company of shares or the withholding of shares by the Company, if any, to fund the exercise price or pay taxes in connection with the exercise of a stock option.
- *Restricted Stock Awards.* This Policy does not apply to the vesting of restricted stock, or the surrender or withholding of shares to pay for taxes incident to such vesting. Shares may not be sold, however, to satisfy such tax obligations.
- *401(k) Plan or Employee Stock Purchase Plan.* Should the Company offer investing in Securities as an option under its 401(k) plan or its Employee Stock Purchase Plan, this Policy’s trading restrictions will not apply to purchases of Securities in the plans resulting from a Covered Person’s periodic contribution of money to either plan pursuant to his or her payroll deduction election, or to purchases of Securities resulting from a Covered Person’s reinvestment of dividends paid on shares of Securities held in his or her plan accounts. The trading restrictions will apply, however, to a Covered Person’s election to participate in the plans as well as to elections made under the plans to: (i) increase or decrease the periodic contributions to such plans that will be used to purchase Company stock (including through allocations to the Company stock fund, in the case of the 401(k) plan); (ii) sell Company stock under the Employee Stock Purchase Plan or to make an intra-plan transfer of an existing account balance into or out of the Company stock fund in the 401(k) plan; (iii) borrow money against the 401(k) plan account, if the loan will result in a liquidation of some or all of the Covered Person’s Company stock fund balance; and (iv) prepay a 401(k) plan loan if the prepayment will result in a change in the Covered Person’s Company stock fund balance.
- *Gifts or Donations.* *Bona fide* gifts or donations are not transactions subject to this Policy, unless the Covered Person making the gift has reason to believe (or is reckless in not knowing) that the recipient intends to sell the Securities while the Covered Person is aware of material nonpublic information, or the Covered Person is subject to the trading restrictions specified below under the heading “Trading Restrictions” and the sales by the recipient of the Securities occur prior to the disclosure of material nonpublic information.

No Short-Term or Speculative Transactions. Short-term or speculative transactions in Securities are prohibited. Such transactions may create incentives conflicting with those of the Company generally or may lead to inadvertent violations of the insider trading laws. These prohibited transactions include:

- *Short Sales.* Short sales of Securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that Securities will decline in value and may thus signal to the market that the seller lacks confidence in the Company’s prospects.

- *Publicly-Traded Options.* Given the relatively short term of publicly-traded options (i.e., put options, call options) or transactions in other derivative securities, such transactions may create the appearance that an officer, director or other employee is trading based on material, nonpublic information and may focus an officer's, director's or other employee's attention on the Company's short-term performance at the expense of its long-term business objectives.
- *Hedging Transactions.* As hedging or monetization transactions through the use of financial instruments, such as prepaid variable forwards, equity swaps, collars and exchange funds, result in the ownership of Securities without the full risks and rewards of ownership, the owner of Securities may no longer have the same objectives as the Company's other stockholders do.
- *Margin Accounts and Pledging.* Securities held in a margin account or pledged as collateral for a loan may be sold without the security holder's consent by the broker if the holder fails to meet a margin call, or by the lender in foreclosure if the holder defaults on the loan. Such sale may occur at a time when the holder is aware of material, nonpublic information or otherwise is not permitted to trade in Securities for a loan. As a result, no officer, director or employee may pledge securities as collateral or place Securities in margin accounts, unless such accounts are treated as non-marginable by the brokerage firm. Notwithstanding the foregoing, Securities pledged as collateral prior to the Company's initial public offering completed on October 16, 2019, are excluded from the restrictions of this paragraph.

Trading Restrictions

The Company has established additional trading restrictions in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information and to avoid the appearance of any impropriety. These additional procedures are applicable only to directors, executive officers, their family members, their controlled entities, and other persons designated by the Company's General Counsel (the "Section 16 Compliance Officer") as being subject to these restrictions (the "Designated Persons"). A list of other persons designated by the Section 16 Compliance Officer to be included as Designated Persons is attached as Appendix B.

Window Periods. Transaction in Securities by Designated Persons may be affected only during the period of time designated for trading by the Company (such periods, "Window Periods"). Window Periods will commence at the open of market on the second trading day following the date of public disclosure of the Company's financial results for a particular fiscal quarter or year and will continue until the close of market on the day that is two full weeks prior to the end of the next fiscal quarter.

Standard Blackout Periods. Each period outside of a Window Period (each such period, a "Blackout Period") is a particularly sensitive period of time for transactions in Securities. This sensitivity is due to the fact that certain Designated Persons will, during that period, often be aware of or possess or at the very least be presumed to possess material nonpublic information about the expected financial results for the quarter during that period. Consequently, trading by Designated Persons will be prohibited in each Blackout Period.

Special Blackout Periods. From time to time, the Company may also prohibit some or all Designated Persons from trading Securities because of material developments known to the Company and not yet disclosed to the public. No applicable Designated Person may engage in any transaction in Securities during any special blackout period that the Section 16 Compliance Officer may designate (each such period, a "Special Blackout Period"). No applicable Designated Person may disclose the designation of a Special Blackout Period to any third party without the approval of the Board. The Company will announce the beginning and end of a Special Blackout Period by providing written notice, including by email, to all Designated Persons to whom the Special Blackout Period applies.

No Trading on Material Nonpublic Information at Any Time. Even during a Window Period, any Designated Person who is aware of or possesses material, nonpublic information concerning the Company may not engage in any transactions in the Securities until the second trading day following the public

disclosure of such information, whether or not the Company has imposed a Blackout Period or a Special Blackout Period. Trading in Securities during the Window Period should not be considered a “safe harbor”.

Preclearance of Transactions in Securities by Designated Persons. Any trade or transaction in Securities by a Designated Person, including any transfer, gift, pledge, or loan of the Securities, even during a Window Period, must be preapproved by the Section 16 Compliance Officer, or in her absence, the Chief Risk Officer, Chief Executive Officer, or the Chief Financial Officer. Transactions in Securities by the Section 16 Compliance Officer must be approved by the Chief Executive Officer. A request for preapproval should be submitted to the Section 16 Compliance Officer at least two trading days in advance of the proposed transaction. The Company is under no obligation to approve a trade submitted for preapproval and may determine not to permit the trade.

Unless revoked, a grant of permission will normally remain valid until the close of market on the tenth business day following the day on which it was granted. If applicable, trading instructions are to be given by the Designated Person to his or her broker as soon as practicable after receiving preclearance. Preapproval of a transaction does not constitute a recommendation by the Company or any of its employees or agents that any Designated Person engage in the subject transaction. The execution of a precleared transaction must be reported to the Section 16 Compliance Officer (through email, duplicate confirmation directly from the broker, or otherwise) promptly, but no later than the day after execution of the transaction.

Approved 10b5-1 Plan. The trading restrictions described above do not apply to transactions executed pursuant to a preexisting written plan, contract or instruction under Rule 10b5-1 promulgated under the Exchange Act (an “Approved 10b5-1 Plan”) that:

- has been reviewed and approved by the Section 16 Compliance Officer at least five business days in advance of being entered into (or, if revised or amended, the revisions or amendments have been reviewed and approved by the Section 16 Compliance Officer at least five business days prior to the effectiveness of the revisions or amendments);
- was entered into or modified (or, with respect to an instruction, given) in good faith by a Designated Person and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1; and
- either (i) gives a third party the discretionary authority to execute purchases and sales of securities of the Company, outside the influence of the Designated Person, so long as the third party is not aware of any material, nonpublic information about the Company; or (ii) explicitly specifies the amount of securities to be purchased or sold, the price at which the securities are to be purchased or sold and the date on which the securities are to be purchased or sold, or a written formula, algorithm or computer program for determining the amount, price and date of such transactions.

Directors and executive officers may not initiate trades under an Approved 10b5-1 Plan until the later of: (i) 90 days after adoption or modification of the plan; or (ii) two business days following the disclosure in Forms 10-K or 10-Q of the Company’s financial results for the fiscal quarter in which the plan was adopted or modified (but not to exceed 120 days following plan adoption or modification). For all other persons, trades under an Approved 10b5-1 Plan may not be made until 30 days after the adoption of the plan.

Designated Persons must include a representation in their 10b5-1 plans certifying, at the time of the adoption of a new or modified plan, that: (i) they are not aware of material nonpublic information about the Company or its Securities; and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5.

Any modification or termination of an Approved 10b5-1 Plan must comply with this Policy and such modification or termination may only be adopted (i) upon receipt of approval of the Section 16 Compliance Officer, (ii) at a time that is not during a Blackout Period or Special Blackout Period, and (iii) while the Designated Person is not in possession of material nonpublic information. Modifications to existing Approved 10b5-1 Plans that do not change the sales or purchase prices or price ranges, the

amount of securities to be sold or purchased, or the timing of transactions under the plan (such as an adjustment for stock splits or a change in account information) will not trigger a new cooling-off period referred to in the preceding paragraph.

Generally, persons may not have more than one 10b5-1 plan for open market purchases or sales of the Securities; provided that two successive trading plans may be maintained so long as (i) one of them is a successor trading plan under which trades are not authorized to begin until completion or expiration of the predecessor plan and (ii) the predecessor plan is not terminated early. Additionally, persons are generally limited to one single-trade plan (one designed to effect the open market purchase or sale of the total amount of the securities subject to the plan as a single transaction) in any 12 month period. All 10b5-1 plans must be entered into and operated in accordance with all applicable Securities and Exchange Commission rules, as amended from time to time.

With respect to any purchase or sale under an Approved 10b5-1 Plan, the third party effecting transactions on the behalf of the Designated Person should be instructed to send duplicative confirmations of all such transactions to the Section 16 Compliance Officer (through email, duplicate confirmation directly from the broker, or otherwise) promptly, but no later than the day after execution of the transaction.

You must notify the Section 16 Compliance Officer no later than 10 business days prior to entering into, modifying or terminating a trading plan with respect to the Securities. The Company considers the adherence to the securities laws to be of utmost importance, and a Designated Person's reliance on a trading plan will not necessarily relieve the Designated Person of liability.

Administrative Matters

Post-Termination Transactions. This Policy continues to apply to Covered Persons' transactions in Securities even after they have terminated employment with or other services to the Company. Thus, if a Covered Person is aware of material, nonpublic information when his or her employment or service relationship with the Company terminates, the Covered Person may not trade in Securities until such information has become public or is no longer material.

Reporting of Violations. If Covered Persons become aware of a violation of this Policy, Covered Persons should promptly report the violation by following the reporting guidelines in the Company's Code of Ethics, under the "Reporting Illegal or Unethical Behavior" section.

Exceptions. Personal financial emergencies do not excuse Covered Persons from compliance with this Policy. However, there may be circumstances from time to time in which the application of this Policy produces unfair or undesirable results and in which a proposed transaction is not inconsistent with the purposes of this Policy. In these circumstances, the Designated Person may be granted an exemption from any provision of this Policy based on the Company's determination that the exempted transaction is not inconsistent with this Policy.

Responsibility for Noncompliance

Covered Persons are ultimately responsible for adhering to this Policy and determining whether they are in possession of material, nonpublic information, and any action on the part of the Company, the Section 16 Compliance Officer or any other officer, director or employee pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. Covered Persons with any questions about this Policy or its application to a proposed transaction may obtain additional guidance from the Section 16 Compliance Officer. Covered Persons will receive a copy of this Policy and must acknowledge in writing that they have read and understand it promptly after the Policy is adopted. Periodically, they will receive a copy of the Policy and will be required to certify that they have complied with it and will continue to do so.

Civil and Criminal Penalties. Potential penalties for insider trading violations include imprisonment for up to twenty years, criminal fines of up to \$5 million and civil fines of up to three times the profit gained or loss avoided.

Controlling Person Liability. If the Company fails to take appropriate steps to prevent illegal insider trading, the Company may have “controlling person” liability for a trading violation, with civil penalties of up to the greater of \$1 million and three times the profit gained or loss avoided, as well as a criminal penalty of up to \$25 million. The civil penalties can extend personal liability to the Company’s officers, directors and other supervisory personnel if they fail to take appropriate steps to prevent insider trading.

Company Sanctions. Failure to comply with this Policy may subject Covered Persons to Company disciplinary action, including dismissal for cause, whether or not the Covered Person’s failure to comply with this Policy results in a violation of law. The Company reserves the right to determine, in its own discretion and on the basis of information available to it, whether this Policy has been violated. The Company may determine that specific conduct violates this Policy, whether or not the conduct also violates the law. It is not necessary for the Company to await the filing or conclusion of a civil or criminal action against the alleged violator before taking disciplinary action.

Responsibility for Annual Review, Amendment and Modification

The Nominating and Corporate Governance Committee of the Board will be responsible for an annual review of this Policy and recommending clarifications, amendments or necessary changes to the Policy to the Board.

Appendix A

Material Nonpublic Information. Because trading that receives scrutiny will be evaluated after the fact with the benefit of hindsight, questions concerning the materiality of particular information should be resolved in favor of materiality, and questionable trading should be avoided. Information is material if it could reasonably be expected that an investor would consider it important in deciding whether to buy, hold or sell a security, or if the disclosure of the information could reasonably be expected to alter significantly the total mix of information in the marketplace about the Company. In other words, any information, whether positive or negative, that could reasonably be expected to affect the price of the security is considered “material” for the purposes of this Policy. While it is not possible to identify all information that could be deemed material, the following items or types of information should be considered carefully in determining their materiality:

- financial results or potential restatements of financial statements;
- projections of future earnings or losses or other earnings guidance, particularly if they differ significantly from external expectations;
- proposals, plans or agreements, even if preliminary in nature, of a pending or proposed merger, acquisition, tender offer, acquisition or disposition of significant assets, or corporate restructuring or reorganization;
- significant regulatory developments, as well as events having a significant regulatory effect or involving significant regulatory intervention;
- significant developments involving corporate relationships;
- significant related party transactions;
- changes in key personnel, external auditors or notification that the auditor’s report may no longer be relied upon;
- major events regarding Securities, including changes in the Company’s dividend policy, the declaration of a stock split or the offering of additional Securities or the establishment of a repurchase program for Securities;
- defaults or potential defaults under the Company’s material agreements or the existence of material liquidity deficiencies;
- changes in the Company’s ratings;
- events that may result in the creation of a significant reserve or write-off or other significant adjustment to the financial statements;
- actual or threatened significant litigation, inquiry by a governmental or regulatory authority, or major positive or negative developments in such matters;
- cybersecurity risks and incidents, including vulnerabilities and breaches; and
- any other facts which might cause the Company’s financial results or stock price to be affected.

When in doubt, Covered Persons should treat nonpublic, confidential information as material and should consult with the Section 16 Compliance Officer prior to engaging in a Securities transaction.

Nonpublic Information. Nonpublic information is information that is not generally known or available to the public. The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. Information becomes public when (i) it is disclosed in a way designed to achieve broad dissemination to the investing public generally, without favoring any special person or group, and (ii) there has been adequate time for the public to digest that information, which for the purposes of this Policy is at least two trading days since the public disclosure by the Company of the information. Examples of broad dissemination include press releases, filings with the Securities and Exchange Commission and meetings, conference calls or webcasts that are open to the public.

Nonpublic information may include:

- information available to a select group of analysts or brokers or institutional investors;
- undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; or
- information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement.

When in doubt, Covered Persons should treat information as nonpublic and should consult with the Section 16 Compliance Officer prior to engaging in a Securities transaction.

Subsidiaries of the Registrant

Subsidiary of HBT Financial, Inc.

Heartland Bank and Trust Company (Illinois)

Subsidiary of Heartland Bank and Trust Company

Heartland Real Estate Holdings, LLC (Illinois)

Heartland Investments, LLC (Illinois)

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements (No. 333-270466) on Form S-3 and (No. 333-234385) on Form S-8 of HBT Financial, Inc. of our report dated March 6, 2026, relating to the consolidated financial statements and the effectiveness of internal control over financial reporting of HBT Financial, Inc., appearing in this Annual Report on Form 10-K of HBT Financial, Inc. for the year ended December 31, 2025.

/s/ RSM US LLP

Chicago, Illinois
March 6, 2026

Certification of Chief Executive Officer
Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934
and Section 302 of the Sarbanes-Oxley Act of 2002

I, J. Lance Carter, certify that:

1. I have reviewed this annual report on Form 10-K of HBT Financial, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 6, 2026

/s/ J. Lance Carter

J. Lance Carter
President and Chief Executive Officer
(Principal Executive Officer)

Certification of Chief Financial Officer
Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934
and Section 302 of the Sarbanes-Oxley Act of 2002

I, Peter R. Chapman, certify that:

1. I have reviewed this annual report on Form 10-K of HBT Financial, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 6, 2026

/s/ Peter R. Chapman

Peter R. Chapman
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

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

In connection with the Annual Report of HBT Financial, Inc. (the "Company") on Form 10-K for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. Lance Carter

J. Lance Carter

President and Chief Executive Officer

(Principal Executive Officer)

March 6, 2026

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

In connection with the Annual Report of HBT Financial, Inc. (the "Company") on Form 10-K for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Peter R. Chapman

Peter R. Chapman

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

March 6, 2026

HBT Financial, Inc.
CLAWBACK POLICY
October 2025

Purpose

The Board of Directors (the “**Board**”) of HBT Financial, Inc., (the “**Company**”) believes that it is in the best interests of the Company and its shareholders to adopt this Clawback Policy (the “**Policy**”), which provides for the recovery of certain incentive compensation in the event of an Accounting Restatement (as defined below). This Policy is designed to comply with, and shall be interpreted consistent with, Section 10D of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), Rule 10D-1 promulgated under the Exchange Act (“**Rule 10D-1**”) and Nasdaq Listing Rule 5608 (the “**Listing Standards**”).

Administration

Except as specifically set forth herein, this Policy shall be administered by the Board or, if so designated by the Board, the Company’s Compensation Committee (the Board or the Compensation Committee charged with administration of this Policy, the “**Administrator**”). The Administrator is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. Any determinations made by the Administrator shall be final and binding on all affected individuals and need not be uniform with respect to each individual covered by the Policy. In the administration of this Policy, the Administrator is authorized and directed to consult with the full Board or such other committees of the Board, as may be necessary or appropriate as to matters within the scope of such other committee’s responsibility and authority. Subject to any limitation of applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

Definitions

As used in this Policy, the following definitions shall apply:

“**Accounting Restatement**” means an accounting restatement of the Company’s financial statements due to the Company’s material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

“**Applicable Period**” means the three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, as well as any transition period (that results from a change in the Company’s fiscal year) within or immediately following those three completed fiscal years (except that a transition period that comprises a period of at least nine months shall count as a completed fiscal year). The “date on which the Company is required to prepare an Accounting Restatement” is the earlier to occur of (a) the date the Board concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement or (b) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement, in each case regardless of if or when the restated financial statements are filed.

“**Covered Executives**” means the current and former executive officers of the Company and its subsidiaries, as determined by the Administrator in accordance with the definition of executive officer set forth in Rule 10D-1 and the Listing Standards.

“**Erroneously Awarded Compensation**” has the meaning set forth in this Policy.

A “**Financial Reporting Measure**” is any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measure. Financial Reporting Measures include but are not limited to the following (and any measures derived from the following): Company stock price; total shareholder return (“**TSR**”); revenues; net income; operating income; profitability of one or more reportable segments; financial ratios (e.g., accounts receivable turnover and inventory turnover rates); earnings before interest, taxes, depreciation and amortization; funds from operations and adjusted funds from operations; liquidity measures (e.g., working capital, operating cash flow); return measures (e.g., return on invested capital, return on assets); earnings measures (e.g., earnings per share); sales per square foot or same store sales, where sales is subject to an Accounting Restatement; revenue per user, or average revenue per user, where revenue is subject to an Accounting Restatement; cost per employee, where cost is subject to an Accounting Restatement; any of such financial reporting measures relative to a peer group, where the Company’s financial reporting measure is subject to an Accounting Restatement; and tax basis income. A Financial Reporting Measure need not be presented within the Company’s financial statements or included in a filing with the Securities Exchange Commission.

“**Incentive-Based Compensation**” means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive-Based Compensation is “*received*” for purposes of this Policy in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of such Incentive-Based Compensation occurs after the end of that period.

Covered Executives; Incentive-Based Compensation

This Policy applies to Incentive-Based Compensation received by a Covered Executive (a) after beginning services as a Covered Executive; (b) if that person served as a Covered Executive at any time during the performance period for such Incentive-Based Compensation; and (c) while the Company had a listed class of securities on a national securities exchange.

Required Recoupment

In the event the Company is required to prepare an Accounting Restatement, the Company shall promptly recoup the amount of any Erroneously Awarded Compensation received by any Covered Executive, as calculated pursuant to this Policy, during the Applicable Period.

Erroneously Awarded Compensation: Amount Subject to Recovery

The amount of “**Erroneously Awarded Compensation**” subject to recovery under the Policy, as determined by the Administrator, is the amount of Incentive-Based Compensation received by the Covered Executive that exceeds the amount of Incentive-Based Compensation that would have been received by the Covered Executive had it been determined based on the restated amounts.

Erroneously Awarded Compensation shall be computed by the Administrator without regard to any taxes paid by the Covered Executive in respect of the Erroneously Awarded Compensation.

By way of example, with respect to any compensation plans or programs that take into account Incentive-Based Compensation, the amount of Erroneously Awarded Compensation subject to recovery hereunder includes, but is not limited to, the amount contributed to any notional account based on Erroneously Awarded Compensation and any earnings accrued to date on that notional amount.

For Incentive-Based Compensation based on stock price or TSR: (a) the Administrator shall determine the amount of Erroneously Awarded Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive-Based Compensation was received; and (b) the Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to The Nasdaq Stock Market (“**Nasdaq**”).

Method of Recoupment

The Administrator shall determine, in its sole discretion, the timing and method for promptly recouping Erroneously Awarded Compensation hereunder, which may include without limitation (a) seeking reimbursement of all or part of any cash or equity-based award, (b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (c) cancelling or offsetting against any planned future cash or equity-based awards, (d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder and (e) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may affect recovery under this Policy from any amount otherwise payable to the Covered Executive, including amounts payable to such individual under any otherwise applicable Company plan or program, including base salary, bonuses or commissions and compensation previously deferred by the Covered Executive.

The Company is authorized and directed pursuant to this Policy to recoup Erroneously Awarded Compensation in compliance with this Policy unless the Compensation Committee of the Board has determined that recovery would be impracticable solely for the following limited reasons, and subject to the following procedural and disclosure requirements:

- a. The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Administrator must make a reasonable attempt to recover such erroneously awarded compensation, document such reasonable attempt(s) to recover and provide that documentation to Nasdaq;
- b. Recovery would violate home country law of the issuer where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law of the issuer, the Administrator must satisfy the applicable opinion and disclosure requirements of Rule 10D-1 and the Listing Standards; or
- c. Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

No Indemnification of Covered Executives

Notwithstanding the terms of any indemnification or insurance policy or any contractual arrangement with any Covered Executive that may be interpreted to the contrary, the Company shall not indemnify any Covered Executives against the loss of any Erroneously Awarded Compensation, including any payment or reimbursement for the cost of third-party insurance purchased by any Covered Executives to fund potential clawback obligations under this Policy.

Indemnification of Administrator

Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be fully indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination, or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

Effective Date; Retroactive Application

This Policy shall be effective as of October 2, 2023, (the “**Effective Date**”). The terms of this Policy shall apply to any Incentive-Based Compensation that is received by Covered Executives on or after the Effective Date, even if such Incentive-Based Compensation was approved, awarded, granted, or paid to Covered Executives prior to the Effective Date. Without limiting the generality of the preceding Section hereof, and subject to applicable law, the Administrator may affect recovery under this Policy from any amount of compensation approved, awarded, granted, payable or paid to the Covered Executive prior to, on or after the Effective Date.

Amendment; Termination

The Board may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary to reflect final regulations adopted by the Securities and Exchange Commission under Section 10D of the Exchange Act and to comply with any rules or standards adopted by a national securities exchange on which the Company’s securities are listed. The Board may terminate this Policy at any time.

Other Recoupment Rights

The Board intends that this Policy will be applied to the fullest extent of the law. The Board may require that any employment agreement, equity award agreement, incentive award agreement or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.

Choice of Law; Venue

This Policy shall be interpreted under the laws of the State of Illinois. Any legal proceedings relating to this Policy shall be brought in a court of competent jurisdiction in McLean County, Illinois.

Attorney Fees, Costs and Expenses of Enforcement

Covered Executives shall be responsible for all attorney fees, costs or expenses the Company incurs to enforce any provision of this Policy.

Successors

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators, or other legal representatives.

Exhibit Filing Requirement

A copy of this Policy and any amendments thereto shall be posted on the Company’s website and filed as an exhibit to the Company’s annual report on Form 10-K.

* * *

HBT FINANCIAL, INC.

CLAWBACK POLICY ACKNOWLEDGEMENT

I, the undersigned, agree and acknowledge that I have read, fully understand, and I am fully bound by, and subject to, all of the terms and conditions of the HBT Financial, Inc.'s Clawback Policy (as may be amended, restated, supplemented or otherwise modified from time to time, the "**Policy**"). In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, or the terms of any compensation plan, program or agreement under which any compensation has been granted, awarded, earned or paid, the terms of the Policy shall govern. In the event it is determined by the Administrator that any amounts granted, awarded, earned or paid, to me (whether or not deferred) must be forfeited or reimbursed to the Company, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. I further agree and acknowledge that I am not entitled to indemnification or right of advancement of expense in connection with any enforcement of the Policy. Any capitalized terms used in this Acknowledgment without definition shall have the meaning set forth in the Policy.

Acknowledged and agreed as of:_____.

By:_____

Name:_____

Title:_____