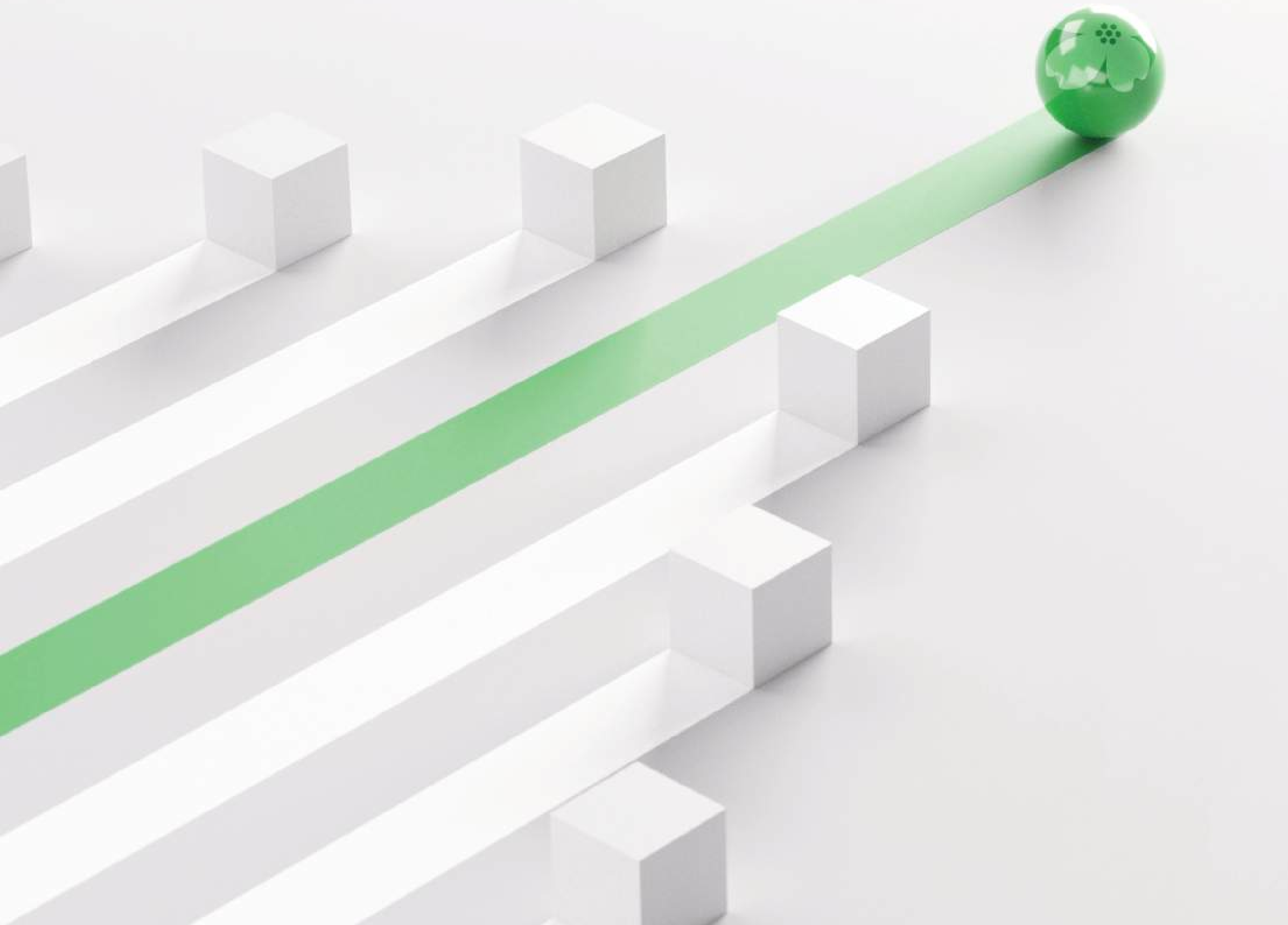
2024
ANNUAL REPORT

Central Bancompany



Central Bancompany

2024 ANNUAL REPORT

Forward-Looking Statements

This annual report contains future-looking information and projections that are not statements of historical fact and that constitute "forward-looking statements" within the meaning of the federal securities laws.

These forward-looking statements include, but are not limited to, statements regarding the Company's business plans and investment strategies, expectations with respect to investments in employees, branches and technologies, the economic and interest rate environment; and the Company's expenses. *Words or phrases such as "anticipate," "believe," "aim," "can," "conclude," "continue," "could," "estimate," "expect," " foresee," "goal," "intend," "may," "might," "outlook," "possible," "plan," "predict," "project," "potential," "seek," "should," "target," "will," "will likely," "would," or the negative of these terms or other comparable terminology, as well as similar expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.*

Forward-looking statements express management's beliefs regarding future results or events, many of which, by their nature, are inherently uncertain and subject to significant business, economic and competitive risks, uncertainties and contingencies, many of which are outside of management's control. Consequently, actual results and outcomes may differ, possibly materially, from the results or outcomes indicated in these forward-looking statements.

Factors that may cause actual results or outcomes to differ from those included in our forward-looking statements include, but are not limited to: disruptions in our business operations due to unforeseen risks or uncertainties; the magnitude, duration, and severity of the risks or uncertainties, pandemics, or other global disruption that may occur; changes in consumer demand for financial services; our ability to retain key management and employees; and general competitive, economic, political, and market conditions and fluctuations. The forward-looking statements contained in this annual report are made as of March 31, 2025, and are based on information available to management on such date. We do not undertake any obligation to update, supplement or correct any of these forward-looking statements.

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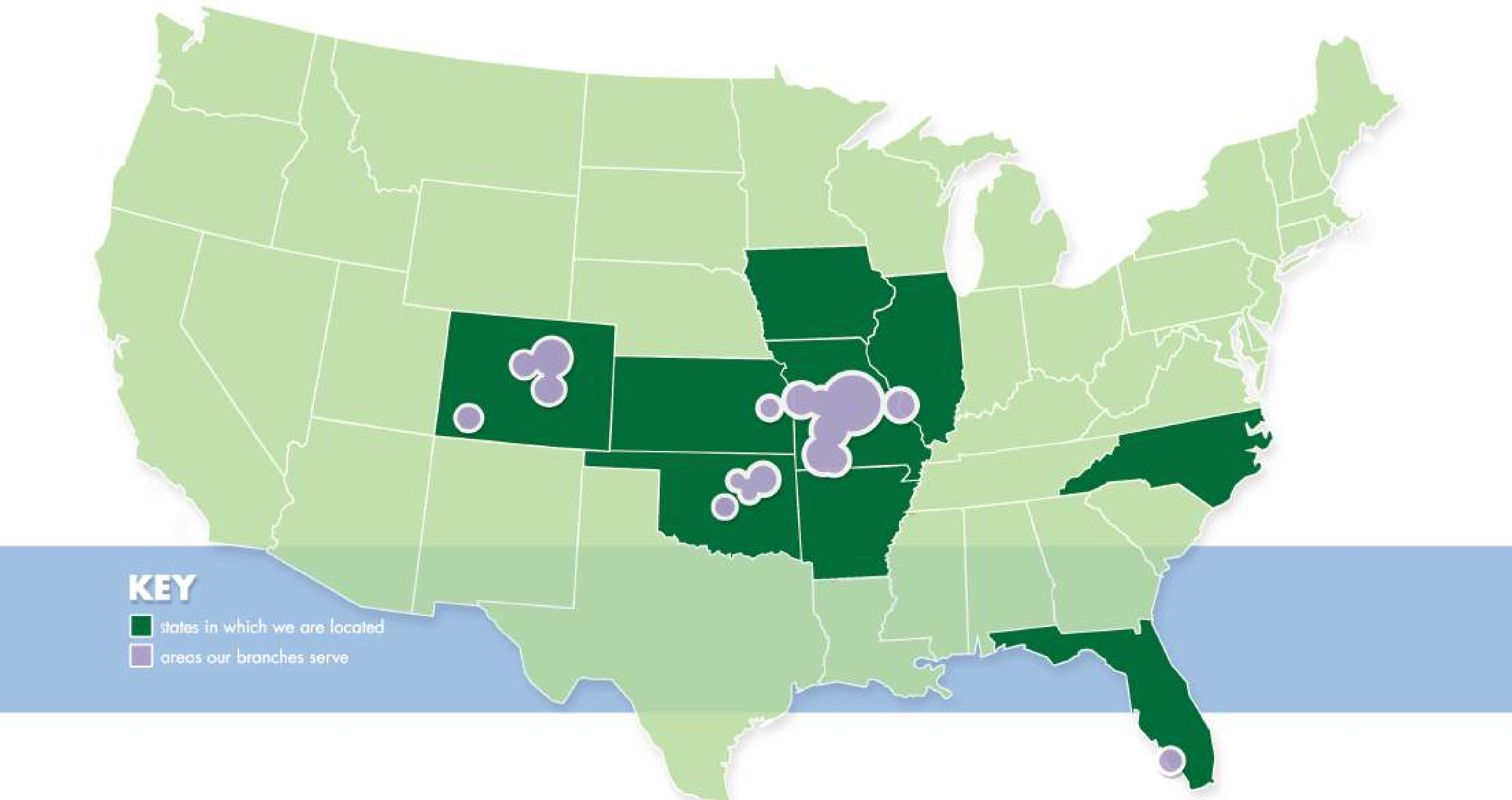
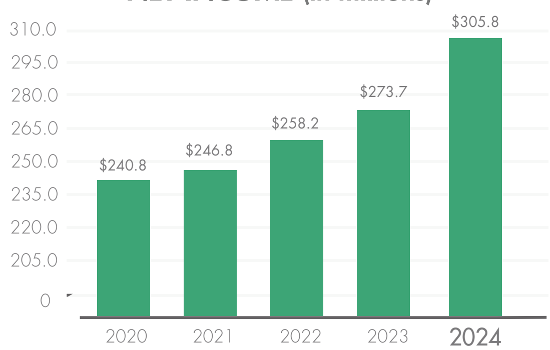


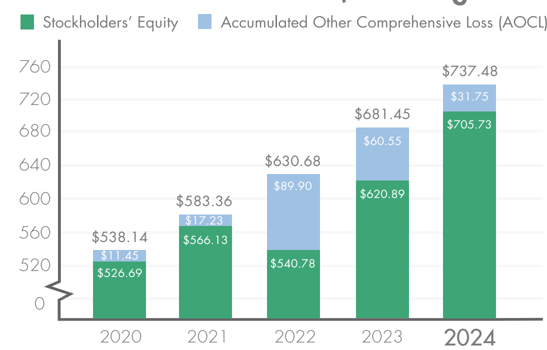
Financial Highlights

GROWTH

NET INCOME (in millions)

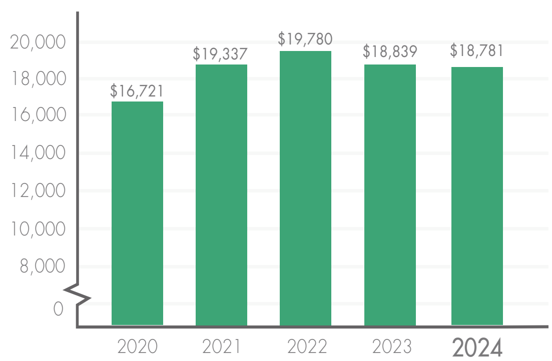


BOOK VALUE PER SHARE (excluding AOCL)

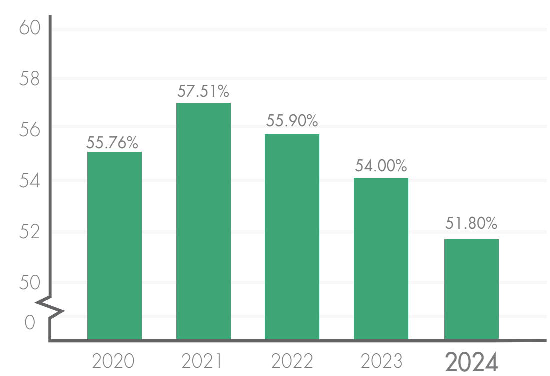


PERFORMANCE

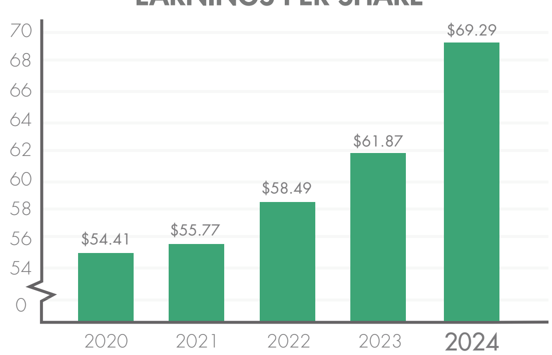
TOTAL AVERAGE ASSETS (in millions)



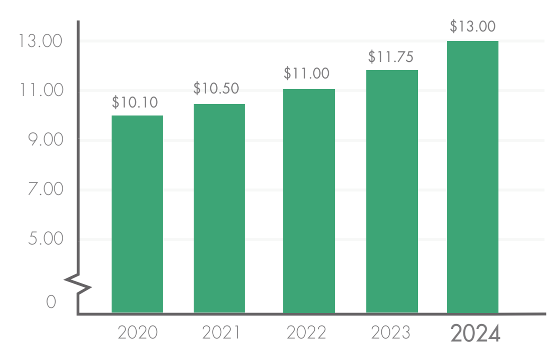
EFFICIENCY RATIO



EARNINGS PER SHARE

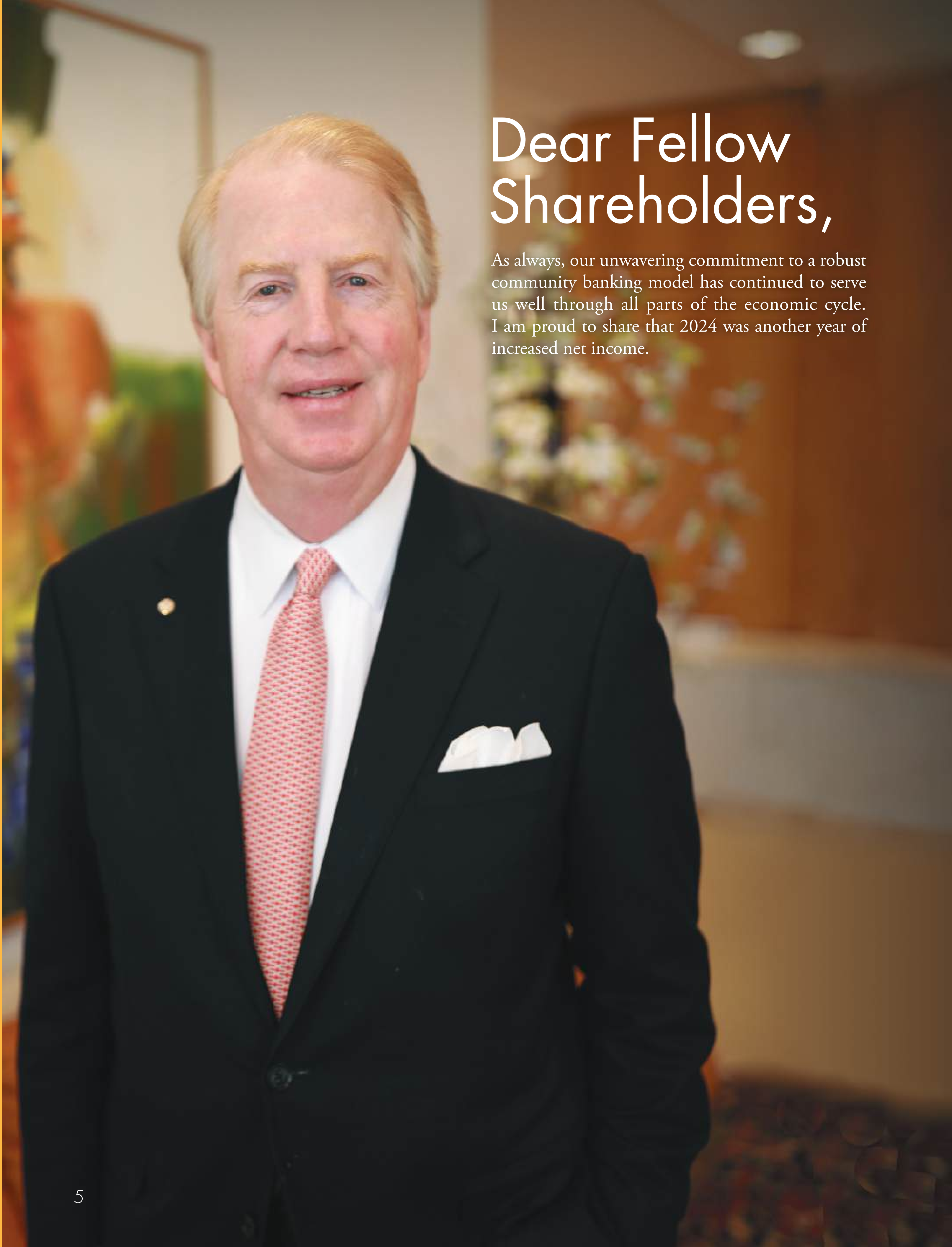


ANNUAL DIVIDENDS PER SHARE



Year in Review
(In thousands, except for share data)

For the Year	2024	2023
Interest Income	$904,977	800,652
Interest Expense	217,653	167,473
Net Interest Income	687,324	633,179
Provision for Credit Losses	14,587	16,252
Noninterest Income	210,390	206,880
Noninterest Expense	489,407	469,070
Income Taxes	87,910	81,044
Net Income	305,810	273,693
Average Daily Assets	18,781,218	18,838,841
Average Daily Deposits	14,679,341	14,774,744
Average Daily Loans	11,586,553	11,427,899
At Year-end		
Total Assets	$19,242,543	19,020,505
Investment Securities	5,656,384	5,083,584
Loans	11,658,355	11,520,730
Deposits	14,985,848	14,869,510
Accumulated Other Comprehensive Loss (AOCL)	-139,925	-267,592
Stockholders' Equity, Excluding AOCL	3,250,586	3,011,390
Number of Outstanding Shares	4,407,695	4,419,111
Per Share		
Net Income	$69.29	61.87
Dividends	13.00	11.75
Stockholders' Equity, Excluding AOCL	737.48	681.46



Dear Fellow Shareholders,

As always, our unwavering commitment to a robust community banking model has continued to serve us well through all parts of the economic cycle. I am proud to share that 2024 was another year of increased net income.

This commitment and the associated results have again been recognized by reputable industry observers.

- 17th consecutive year to be named one of *Forbes* magazine's "Best Banks in America" – ranking 10th best.
- Will be featured by *USA Today* as one of the best customer service banks in America.

Allow me to share a few additional financial highlights from 2024.

- Revenue increased to $898 million, 6.9% growth over 2023.
- Net income increased to $306 million, 11.7% growth over 2023.
- Earnings per share increased to $69.29, up 12.0% year-over-year and our dividend per share increased to $13.00, a cumulative growth of 53% over the last 5 years.
- Capital ratios continue to be robust with a total risk-based capital ratio of 24.9%, well above peers and regulatory requirements. A detailed discussion of our financial results is found in the Financial Review section.

We are fortunate that our financial strength has allowed us to consistently invest in our franchise. We again made steady progress on our strategic plan, including branch expansion in Kansas City, Kansas and a strong start to our core modernization project "Keystone".

As we move forward, I want to take a moment to review our commitment to our stakeholders.

To our customers: We are pleased to share that our Net Promoter Score edged up notably in 2024 and is nearly double the industry average. We believe this is the direct result of our Living Legendary Standards, which we relaunched in 2023. Moreover, our strong customer-facing technology (our mobile app store ratings of 4.9 stars with 50,000+ reviews), recent enhancements to our mortgage capabilities, and supervised debit cards for children drive customer satisfaction. In 2024, our checking household growth narrowed to 0.94% amidst increased competition for consumer accounts, but we remained in the top quartile of our peer group.

To our communities: Our commitment to local communities has promoted growth in each of our markets. Collectively, our employees devoted 21,455 volunteer service hours to support nonprofit organizations in 2024, which is more than 7 hours per employee. We are focusing on financial literacy in our communities, a commitment we will expand in 2025.

To our colleagues: I am pleased to announce the employee satisfaction survey indicates very high levels of employee morale – 94% of employees responded to our annual survey. Of those respondents, 84% reported they would recommend a friend or family member to work for our company. High employee morale and company stability helps us retain and attract top talent in the industry. In 2024, we promoted our Chief Operating Officer to Chief Executive Officer, hired a new market CEO for Colorado, a new Chief Credit Officer, and created the executive role – Head of Private Banking. More recently, we have also promoted a senior executive into the new position of Chief Customer Officer and hired an experienced Chief Commercial Services and Payments Officer.

As we move forward, we remain committed to our mission of providing exceptional service. In closing, I want to thank our customers for trusting us with the most important part of their financial lives and our shareholders for their continued support. Our talented and experienced employees will meet the challenges that lie ahead.

Thank you,

S. Bryan Cook, *Executive Chairman*

Branding Evolution

We are thrilled to introduce our new brand campaign, *Dream Bigger. Bank Better.* This initiative represents our unwavering commitment to customers, stakeholders, communities, and shareholders. With a clear and impactful message, it highlights our dedication to empowering customers, supporting them in achieving financial goals, and positioning ourselves as a trusted partner throughout their journey.

This brand evolution goes beyond aesthetics—it strategically aligns our core business units to create a seamless experience at every touch point. To reinforce this, we have established three key branding pillars that integrate our services in Retail Banking, Mortgage, Business Banking, and Wealth Management. These pillars serve as a foundation for delivering exceptional service and innovative solutions in our customer-centric approach.

DREAM BIGGER. BANK BETTER.

While our long-standing positioning statement, *Strong Roots. Endless Possibilities.*, remains unchanged, this creative rebrand reflects our forward-looking vision—one that prioritizes customers and other stakeholders. By cultivating a more unified and compelling brand, we are differentiating ourselves and reinforcing our competitive edge. This transformation drives engagement and fosters deeper relationships.

As we embark on this exciting chapter, our mission remains clear: provide outstanding financial solutions, build meaningful connections, and deliver lasting value. *Dream Bigger. Bank Better.* is more than just a campaign—it embodies excellence, innovation, and the limitless potential of our customers and our company.

large mass media messaging aimed at specific demographics with closer ties to all business lines for each pillar.

Buy – focusing on Gen Z and reflective of how this generation views money, relies on mobile tools, and their desire to travel the world.

Grow – aimed at Millennials and reflective of this generation's growing and changing needs, while focused on mortgage.

Save – more sophisticated savings nod to Gen X, their desire for the finer things in life, and more closely tie to the wealth division.

Financial Review

Results of Operations

Central Bancompany, Inc., recorded another year of strong financial results in 2024. As of December 31, 2024, net income was $305.8 million, a $32.1 million increase, or 11.7%, compared to December 31, 2023. Adjusted net income[1] (adjusted for after tax losses on available-for-sale debt securities and gains on sales of equity securities, netting to $27.9 million) was $333.7 million for 2024, a $45.6 million increase over 2023. Basic and diluted earnings per share increased to $69.29 for 2024, compared to $61.87 for 2023.

The increase in earnings was primarily due to a $54.1 million increase in net interest income and a $3.5 million increase in non-interest income offset by a $20.3 million increase in non-interest expense and a $6.9 million increase in provision for income taxes. Net interest income improved primarily due to improved margins from an increase in asset yields that exceeded the increase in cost of funds.

Two key bank performance measures are the return on assets and the return on equity. The Company's return on average assets was 1.63% in 2024 compared to 1.45% in 2023. Return on equity was 10.4% in 2024 and 10.6% in 2023. Using adjusted net income, the Company's adjusted return on average assets[1] was 1.78% in 2024 compared to 1.53% in 2023. The adjusted return on equity[1] was 11.4% in 2024 and 11.2% in 2023. Return on equity for both years is impacted by our capital being substantially above the required regulatory levels.

Average daily assets for the Company were roughly flat from 2023 to 2024 at $18.8 billion. Consolidated assets of the Company on December 31, 2024, were $19.2 billion. Deposits increased by 0.8% to $15.0 billion on December 31, 2024 compared to December 31, 2023, and loans increased by 1.2% to $11.7 billion.

Stockholders' equity increased by 13.4% to $3.1 billion on December 31, 2024, compared to December 31, 2023. Book value per share was $705.73 on December 31, 2024, compared to $620.89 on December 31, 2023. Adjusted stockholders' equity[1], excluding the impact of Accumulated Other Comprehensive Loss (AOCL), increased by 7.9% to $3.3 billion on December 31, 2024 compared to December 31, 2023. Adjusted book value per share[1], excluding AOCL, was $737.48 on December 31, 2024, compared to $681.45 on December 31, 2023.

The Company's 2024 leverage ratio was 15.69% compared to 14.36% in 2023, which shows a continued strong capital position compared to peers. Total dividends paid by the Company in 2024 were $57.4 million or $13.00 per share compared to $51.9 million in 2023 or $11.75 per share, a 10.6% increase.

Net Interest Income

Net interest income comprises the major source of earnings for the Company. Net interest income is the difference between interest and fees earned by the Company from loans, securities, and other interest-bearing investments, less interest paid on deposits and other interest-bearing liabilities.

Net interest income is affected by two factors: The volume of earning assets utilized by the Company and the net interest rate spread, which is the difference in the rate earned on loans and investments and the overall rate paid on deposits and other funding liabilities.

In 2024, net interest income was $687.3 million, up $54.1 million or 8.6% from 2023. The volume of average earning assets was roughly flat from 2023 to 2024 at $17.9 billion. Average loans increased by 1.4% to $11.6 billion while average deposits decreased by 0.6% to $14.7 billion. After average deposits decreased during 2023 due to instability in the banking industry, deposits have stabilized throughout 2024, with year end balances increasing year-over-year. The Company's level of investment securities and short-term investments averaged $6.3 billion in 2024, a 2.4% decrease from the 2023 average. However, due to the repricing of these securities, higher yields are being earned despite the small decrease in portfolio size.

The Company's net interest margin increased from 3.54% in 2023 to 3.84% in 2024.

[1] *Adjusted net income, adjusted return on average assets, adjusted return on equity, adjusted stockholders' equity, and adjusted book value per share are non-GAAP measures. These measures are not in accordance with, or a substitute for, GAAP, and may be different from or inconsistent with non-GAAP financial measures used by other companies.*

The loan portfolio yielded 5.66% in 2023 and 6.11% in 2024 while the yield on the investment portfolio was 2.78% in 2024 and 2.16% in 2023. The Company's cost to fund the earning assets was 1.04% in 2023 and 1.39% in 2024.

Allowance for Credit Losses

The Company accounts for losses in its loan portfolio on an expected credit loss basis. The measurement of expected credit losses is based on historical experience, current conditions, and reasonable and supportable forecasts. The allowance is funded with provisions that are charged to expense, thereby lowering operating earnings. The allowance is maintained at a level to cover expected losses in the loan portfolio.

The Company's provision for credit losses, including provision for off-balance sheet credit exposures, was $14.6 million in 2024 compared to $16.3 million in 2023. Net loan charge-offs were $15.2 million in 2024 and $14.1 million in 2023. Net loan charge-offs as a percentage of average loans were 0.13% in 2024 and 0.12% in 2023. Decrease in provision expense, despite higher net charge-offs in 2024, was a result of changes in macro-economic metrics in the current period as compared to the prior period. The allowance for credit losses was $154.3 million on December 31, 2024 or 1.33% of outstanding loans; this compares to an allowance of $154.8 million on December 31, 2023 or 1.35% of loans.

Noninterest Income

Noninterest income is comprised of fees and commissions that are received from the products and services we provide to our customers. We believe having diversified revenue streams has been a key reason for the Company's success through varying economic environments. Net investment security losses of $36.7 million and $18.9 million were recognized in 2024 and 2023, respectively. These comprised mainly of losses on sales of available-for-sale (AFS) debt securities, partly offset by gains on sales of equity securities. The 2024 gain on sale of equity securities derived mainly from the sale of Visa stock. Further information on the sales of Investments securities can be found in footnote disclosure (2) Investment Securities. Proceeds from the sales of AFS debt securities were reinvested in higher yielding assets, which should improve the Company's return on investments in future periods. Excluding net investment losses, total noninterest income was $247.1 million in 2024 compared to $225.8 million in 2023, a 9.42% increase.

Other external factors continue to impact noninterest income. Mortgage banking revenues continue to be impacted by limited inventory in the sector as well as elevated interest rates that have persisted over the past couple of years. Service charges and commissions for 2024 grew by 11.29% over 2023, primarily from an increase in the overdraft and non-sufficient funds (NSF) fees. The following is a year-over-year comparison of noninterest income for 2024 versus 2023.

(In thousands)	**2024**	**2023**	**$ Change**	**% Change**
Service Charges and Commissions	$56,137	50,441	5,696	11.3%
Payment Service Revenue	67,531	67,414	117	0.2%
Brokerage Services	25,739	22,433	3,306	14.7%
Fees for Fiduciary Services	45,897	40,197	5,700	14.2%
Mortgage Banking Revenues	42,080	37,113	4,967	13.4%
Other	9,667	8,176	1,491	18.2%
Adjusted Noninterest Income[1]	247,051	225,774	21,277	9.4%
Investment Securities Losses, net	-36,661	-18,894	-17,767	94.0%
Total Noninterest Income	$210,390	206,880	3,510	1.7%

Noninterest Expense

Noninterest expense for 2024 was $489.4 million compared to $469.1 million in 2023, an increase of $20.3 million or 4.34%. Salaries, wages, employee benefits, and payroll taxes comprised about 57.43% of the Company's total noninterest expenses in 2024. Total salary and employee benefits were $281.1 million in 2024 and $271.5 million in 2023, an increase of 3.53%. This is partially due to the increase in the number of employees for the Company, as it accommodates growth. The Company recognized $2.4 million in pension settlement income in 2024 related to certain pension de-risking transactions the Company undertook. This income is recognized as a reduction in 2024's other expenses. As a result of a vendor conversion in early 2024, the Company was able to realize cost savings on Bankcard processing, rewards and related costs of 11.18% compared to 2023. Legal and professional fees have increased due to expenses related to the Company's core modernization project. This conversion is intended to allow the Company to better, and more quickly serve customers in the future. Changes in noninterest expense by major category between 2024 and 2023 are as follows:

(In thousands)	2024	2023	$ Change	% Change
Salaries and Employee Benefits	$281,087	271,508	9,579	3.5%
Net Occupancy and Equipment	47,131	44,253	2,878	6.5%
Computer Software and Maintenance	20,318	19,490	828	4.2%
Marketing and Business Development	19,990	19,053	937	4.9%
FDIC and Bank Exam Fees	5,583	5,671	-88	-1.6%
Legal and Professional Fees	26,290	19,095	7,195	37.7%
Bankcard Processing, Rewards and Related Costs	32,002	36,031	-4,029	-11.2%
Total OMSR Amortization	6,319	6,718	-399	-5.9%
Amortization and Intangible Asset	3,388	3,520	-132	-3.8%
Travel, Meetings, and Entertainment	5,538	5,197	341	6.6%
Printing, Telecommunications, Postage	7,954	8,281	-327	-3.9%
All Other Remaining Expenses	33,807	30,252	3,555	11.8%
Total Noninterest Expense	$489,407	469,069	20,338	4.3%

The Company's consolidated efficiency ratio for 2024 was 51.8% compared to 54.0% for 2023.

Income Taxes

For 2024, the Company recorded an expense for income taxes of $87.9 million compared to $81 million in 2023. The 2024 expense is comprised of $75.4 million in Federal income tax, $5.0 million in state income tax, and $7.5 million in amortization of tax credit costs.

The Company's effective tax rate (Federal and State) amounted to 22.3% in 2024 and 22.9% in 2023.

5 YEAR Consolidated Average Balance Sheet

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Assets (In thousands)	2024	2023	2022	2021	2020
Cash & Due From Banks	$191,738	190,802	201,020	198,742	190,398
Investment Securities	5,454,694	5,990,573	6,509,442	5,383,453	4,567,481
Money Market Obligations	840,161	456,325	1,545,224	2,723,056	1,246,672
Loans Less Unearned Income	11,586,553	11,427,899	10,811,266	10,374,803	10,067,989
Allowance for Credit Losses	-154,674	-153,886	-155,317	-154,159	-140,457
Net Loans	11,431,879	11,274,013	10,655,949	10,220,644	9,927,532
Other Assets	862,746	927,128	868,088	811,392	789,383
Total Assets	$18,781,218	18,838,841	19,779,723	19,337,287	16,721,466

Liabilities and Stockholders' Equity

Noninterest Bearing Demand Deposits	$5,180,962	5,529,485	6,073,019	5,779,320	4,607,624
Savings, NOW, & Money Market Deposits	7,840,224	7,930,115	8,516,596	7,998,218	6,732,864
Time Deposits	1,658,155	1,315,144	1,159,223	1,353,946	1,569,535
Total Deposits	14,679,341	14,774,744	15,748,838	15,131,484	12,910,023
Federal Funds Purchased & Customer Repurchase Agreements	993,284	1,292,531	1,425,900	1,513,773	1,301,060
Borrowed Funds	0	0	0	3,750	5,000
Other Liabilities	170,618	200,921	213,774	247,629	251,335
Total Liabilities	15,843,243	16,268,196	17,388,512	16,896,636	14,467,418
Accumulated Other Comprehensive Loss (AOCL)	-225,501	-361,452	-305,004	-62,712	-42,832
Stockholders' Equity, Excluding AOCL	3,163,476	2,932,097	2,696,215	2,503,363	2,296,880
Total Liabilities & Stockholders' Equity	$18,781,218	18,838,841	19,779,723	19,337,287	16,721,466

5 YEAR Consolidated Summary of Operations

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

(In thousands)	2024	2023	2022	2021	2020
Interest Income	$904,977	800,652	608,705	516,942	534,087
Interest Expense	217,653	167,473	52,930	21,087	40,732
Net Interest Income	687,324	633,179	555,775	495,855	493,355
Provision for Credit Loss	14,587	16,252	13,715	6,146	27,153
Noninterest Income	210,390	206,880	231,249	275,456	276,601
Noninterest Expense	489,407	469,070	439,822	444,794	432,012
Income Before Taxes	393,720	354,737	333,487	320,371	310,791
Income Taxes	87,910	81,044	75,267	73,541	70,015
Net Income	$305,810	273,693	258,220	246,830	240,776

Financial Data by Market

As of December 31, 2024

Market (In thousands)	Deposits	Loans
Greater Kansas City	3,024,910	2,153,486
Jefferson City - Central Bank	2,647,328	1,107,405
Boone County	2,274,931	1,579,467
Greater St. Louis	1,863,510	2,075,981
Springfield	1,489,374	1,304,686
Lake of the Ozarks	980,117	549,022
Jefferson City - Jefferson Bank	656,992	474,301
Branson	409,832	294,968
Sedalia	398,305	265,393
Oklahoma	364,406	816,605
Warrensburg	358,334	196,031
Audrain County	242,652	69,072
Moberly	215,616	78,605
Colorado	98,937	658,723

KPMG LLP
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Kansas City, MO 64106-2162

Independent Auditors' Report

The Board of Directors
Central Bancompany, Inc.:

Opinion

We have audited the consolidated financial statements of Central Bancompany, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

We also have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in the *Internal Control – Integrated Framework* (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 31, 2025 expressed an unmodified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

We conducted our audits in accordance with GAAS. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes 1 and 3 to the consolidated financial statements, in 2023, the Company adopted new accounting guidance related to ASC Topic 326, *Financial Instruments - Credit Losses*, for the recognition and measurement of credit losses as of January 1, 2023. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

Kansas City, Missouri
March 31, 2025

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Dollars in thousands, except for share and per share data)

		2024	2023
Assets			
Cash and due from banks	$	265,209	233,476
Short-term interest-bearing deposits		969,416	1,447,487
Interest-bearing deposits		699	1,188
Federal funds sold and securities purchased under agreements to resell		7,183	3,665
Investment securities:			
Available for sale (AFS)		5,603,723	5,029,305
Held to maturity, net of allowance for credit losses of $21 and $26 (fair value of $3,231 and $4,060 in 2024 and 2023, respectively.)		3,225	4,033
Equity		48,770	50,246
Trading		666	-
Total investment securities		5,656,384	5,083,584
Loans		11,624,091	11,485,288
Less allowance for credit losses		(154,279)	(154,809)
Net loans		11,469,812	11,330,479
Loans held for sale		34,264	35,442
Land, buildings, and equipment, net		215,316	217,931
Deferred tax assets, net		23,332	56,635
Foreclosed assets held for sale		3,695	4,344
Goodwill		348,237	348,237
Core deposit and other intangibles		6,653	10,042
Mortgage servicing rights		30,423	33,876
Bank owned life insurance		24,522	24,758
Other assets		187,398	189,361
Total assets	$	19,242,543	19,020,505

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Dollars in thousands, except for share and per share data)

		2024	2023
Liabilities and Stockholders' Equity			
Deposits:			
Noninterest-bearing demand	$	5,245,705	5,378,324
Savings and interest-bearing demand		8,043,244	7,943,456
Time		1,696,899	1,547,730
Total deposits		14,985,848	14,869,510
Federal funds purchased and customer repurchase agreements		1,007,295	1,226,167
Total customer funds		15,993,143	16,095,677
Other liabilities		138,739	181,030
Total liabilities		16,131,882	16,276,707
Stockholders' equity:			
Class A voting common stock, $1 par value. 3,993,779 shares authorized; 1,993,779 shares issued for both 2023 and 2024, respectively		1,994	1,994
Class B nonvoting common stock, $1 par value. 7,962,278 shares authorized; 3,962,278 shares issued for both 2023 and 2024, respectively		3,962	3,962
Capital surplus		10,341	7,652
Retained earnings		3,333,669	3,085,304
Accumulated other comprehensive loss		(139,925)	(267,592)
		3,210,041	2,831,320
Less treasury stock of 452,219 and 447,682 shares of Class A voting common stock in 2024 and 2023, respectively; 1,096,143 and 1,089,264 shares of Class B nonvoting common stock in 2024 and 2023, respectively		(99,380)	(87,522)
Total stockholders' equity		3,110,661	2,743,798
Total liabilities and stockholders' equity	$	19,242,543	19,020,505

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Income

December 31, 2024 and 2023

(Dollars in thousands, except for share and per share data)

		2024	2023
Interest income:			
Loans	$	708,386	646,923
Investment securities		151,489	129,740
Federal funds sold and securities purchased under agreements to resell		45,102	23,989
Total interest income		904,977	800,652
Interest expense:			
Deposits		190,432	128,694
Federal funds purchased and customer repurchase agreements		27,221	38,779
Total interest expense		217,653	167,473
Net interest income		687,324	633,179
Provision for credit losses		14,587	16,252
Net interest income after provision for credit losses		672,737	616,927
Other income:			
Service charges and commissions		56,137	50,441
Payment services revenue		67,531	67,414
Brokerage services		25,739	22,433
Fees for fiduciary services		45,897	40,197
Mortgage banking revenues, net		42,080	37,113
Other income		9,667	8,176
Investment securities losses, net		(36,661)	(18,894)
Total other income		210,390	206,880
Other expenses:			
Salaries and employee benefits		281,087	271,508
Net occupancy and equipment		47,131	44,253
Computer software and maintenance		20,318	19,490
Marketing and business development		19,990	19,053
FDIC and bank exam fees		5,583	5,671
Legal and professional fees		26,290	19,095
Bankcard processing, rewards and related cost		32,002	36,031
Other expenses		57,006	53,969
Total other expenses		489,407	469,070
Income before income taxes		393,720	354,737
Income taxes		87,910	81,044
Net income	$	305,810	273,693
Net income per common share - basic	$	69.29	61.87
Net income per common share - diluted	$	69.29	61.87

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

December 31, 2024 and 2023

(Dollars in thousands)

		2024	2023
Net income	$	305,810	273,693
Reclassification adjustment for net losses on AFS securities included in net income, net of taxes		39,031	15,204
Unrealized gain on AFS securities, net of income taxes		70,574	107,416
Change in pension loss, net of income taxes		18,061	6,701
Other comprehensive income		127,667	129,321
Total comprehensive income	$	433,477	403,014

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statement of Stockholders' Equity

December 31, 2024 and 2023

(Dollars in thousands, except for share and per share data)

	Class A Common Stock	Class B Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2022	$ 1,994	3,962	5,934	2,858,291	(86,868)	(396,913)	2,386,400
Adoption ASU 2016-13				5,241			5,241
Balance at January 1, 2023, adjusted	$ 1,994	3,962	5,934	2,863,532	(86,868)	(396,913)	2,391,641
Net income				273,693			273,693
Other comprehensive income (loss)						129,321	129,321
Purchase of treasury stock					(959)		(959)
Cash dividends paid on common stock ($11.75 per share)				(51,921)			(51,921)
Stock-based compensation			2,023				2,023
Issuance under equity compensation plans			(305)		305		-
Balance at December 31, 2023	$ 1,994	3,962	7,652	3,085,304	(87,522)	(267,592)	2,743,798
Net income				305,810			305,810
Other comprehensive income (loss)						127,667	127,667
Purchase of treasury stock					(12,143)		(12,143)
Cash dividends paid on common stock ($13.00 per share)				(57,445)			(57,445)
Stock-based compensation			3,458				3,458
Issuance under equity compensation plans			(769)		285		(484)
Balance at December 31, 2024	$ 1,994	3,962	10,341	3,333,669	(99,380)	(139,925)	3,110,661

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

December 31, 2024 and 2023

(Dollars in thousands)

		2024	2023
Cash flows from operating activities:			
Net income	$	305,810	273,693
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization		19,204	19,565
Accretion of discounts and amortization of premiums, net		7,640	15,322
Deferred income taxes		(6,660)	2,633
Provision for credit losses		14,587	16,252
Gain on sale of loans, net		(28,964)	(23,648)
Purchases of trading securities		(2,347)	(5,273)
Sales of trading securities		1,677	5,288
Investment securities losses, net		36,661	18,894
Originations of mortgage loans held for sale		(1,278,005)	(1,163,209)
Proceeds from sales of mortgage loans held for sale		1,302,861	1,180,076
Stock-based compensation		3,458	2,023
(Decrease) increase in other assets		8,312	(4,925)
(Decrease) increase in other liabilities		(20,937)	8,401
Net cash provided by operating activities		363,297	345,092
Cash flows from investing activities:			
Purchase of available-for-sale securities		(3,761,831)	(1,008,046)
Purchase of equity securities		(10,590)	—
Proceeds from sales of available-for-sale securities		1,044,686	662,970
Proceeds from sales of equity securities		26,654	103
Proceeds from maturities of available-for-sale securities		2,227,755	1,916,907
Proceeds from maturities of held-to-maturity securities		836	669
Net change in interest-bearing deposits		489	250
Net increase in loans		(148,660)	(268,625)
Purchase of land, buildings, and equipment		(25,158)	(25,890)
Proceeds from sale of land, buildings, and equipment		11,911	1,489
Net cash (used in) provided by investing activities		(633,908)	1,279,827
Cash flows from financing activities:			
Decrease in deposits		(53,155)	(1,102,186)
Increase in time deposits		169,493	410,500
Decrease in federal funds purchased and customer repurchase agreements		(218,872)	(90,780)
Dividends paid		(57,532)	(51,870)
Purchase of treasury stock		(12,143)	(959)
Net cash used in financing activities		(172,209)	(835,295)
Net increase (decrease) in cash and cash equivalents		(442,820)	789,624
Cash and cash equivalents at beginning of year		1,684,628	895,004
Cash and cash equivalents at end of year	$	1,241,808	1,684,628
Cash and due from banks	$	265,209	233,476
Short-term interest-bearing deposits		969,416	1,447,487
Federal funds sold and securities purchased under agreements to resell		7,183	3,665
Total cash and cash equivalents	$	1,241,808	1,684,628
Supplemental disclosure of cash flow information:			
Interest paid	$	216,063	161,178
Income taxes paid		92,020	71,342
Loans transferred to foreclosed assets held for sale		4,938	1,124

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

Principles of Consolidation and Subsequent Events

The accompanying consolidated financial statements include the accounts of Central Bancompany, Inc., and its subsidiaries (collectively, the "Company"). Central Bancompany owns all the outstanding capital stock of The Central Trust Bank (the "Bank"), which is headquartered in Missouri. All intercompany accounts and transactions have been eliminated.

The Company evaluated subsequent events for recognition or disclosure through March 31, 2025, the date on which the consolidated financial statements were issued. While the U.S. economy continued to be strong in 2024, continued record levels of inflation forced the Federal Reserve to maintain tight monetary conditions. High inflation and interest rates may adversely affect our business activities, financial condition, and results of operations. Such effects will depend on future developments, which are highly uncertain and difficult to predict. Meanwhile, continued risk from the uncertain geopolitical climate may cause stress to the economic conditions in the U.S. and globally.

Use of Estimates

Management has made a number of estimates and assumptions relating to the reporting of assets and statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP). Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Company considers cash and due from banks, short-term interest-bearing deposits maturing within 90 days, and federal funds sold and securities purchased under agreements to resell maturing within 90 days to be cash equivalents. Interest-bearing deposits are held at other financial institutions and are not considered cash and cash equivalents.

Investment Securities

Held-to-maturity securities ("HTM") are those that the Company has the positive intent and ability to hold to maturity. HTM securities are recorded at amortized cost, net of allowance for credit losses. Trading account securities ("Trading") are bought and held principally for the purpose of selling them in the near term. Equity securities ("Equity") include common and preferred stock with readily determinable fair value as well as certain equity securities without a readily determinable fair value. All other debt securities held by the Company are classified as available-for-sale ("AFS"). Trading, Equity, and AFS securities are recorded at fair value. For both Trading and Equity securities, gains and losses, both realized and unrealized, are included in earnings. Unrealized holding gains and losses, net of related tax effect, on AFS securities are excluded from earnings and are reported as a separate component of accumulated other comprehensive income (loss) until realized. Realized gains and losses upon disposition of AFS securities are included in income using the specific-identification method for determining the cost of the securities sold.

Purchased premiums and discounts on investment securities are amortized/accreted into interest income using the constant yield method based upon the remaining contractual maturity of the asset, adjusted for any expected prepayments.

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

For AFS debt securities in an unrealized loss position, the entire loss in fair value is required to be recognized in current earnings if the Company intends to sell the securities or believes it more likely than not that it will be required to sell the security before the anticipated recovery. Any time the Company does not expect to recover the amortized cost basis, a credit loss is deemed to have occurred and an allowance for credit losses is recorded. The allowance for credit losses is limited by the amount that the fair value is less than the amortized cost basis.

Changes in the allowance for credit losses are recorded as a provision for (or reversal of) credit losses on the consolidated statements of income. Losses are charged against the allowance for credit losses on securities when management believes the uncollectibility of an AFS security is confirmed or when either of the conditions regarding intent or requirement to sell is met.

Accrued interest receivable on AFS debt securities is excluded from the estimate of credit losses.

Loans Held for Sale

Loans held for sale are accounted for at fair value pursuant to the fair value option permitted by ASC 825, *Financial Instruments.* The Company elected to take the fair value option for loans held for sale permitted by ASC 825, Financial Instruments beginning January 1, 2020. The fair value is based on secondary market prices for loans with similar characteristics, including an adjustment for embedded servicing value. Gains and losses from the changes in fair value are included in mortgage banking revenues, net. Deferred fees and costs related to these loans are recognized as part of the cost basis of the loan at the time it is sold. Interest income related to loans held for sale is accrued based on the principal amount outstanding and the loan's contractual interest rate.

Loans

For purposes of these financial statements, the loan portfolio collectively includes all loans and leases the Company holds for investment, hereinafter referred to as "loans." Loans that the Company intends and has the ability to hold for the foreseeable future or until maturity or payoff are carried at amortized cost. Amortized cost represents the outstanding principal balance of loans, net of any deferred origination fees and related costs. The Company has elected to exclude all accrued interest receivable from the disclosures of amortized cost and has opted not to establish an allowance for credit losses related to accrued interest receivables.

Interest on loans is accrued and credited to income based on the principal amount outstanding, using primarily a simple interest calculation. Loan and commitment fees, net of associated costs, are deferred and amortized over the life of the loans, shown as an adjustment to interest income. The Company applies the straight-line method for amortization, which approximates the level yield method. Amortization does not anticipate loan prepayments, and any unamortized fees are recognized in full at the time of payoff.

The accrual of interest on loans is discontinued when, in management's judgment, the interest is uncollectible in the normal course of business. When a loan is placed on non-accrual status, any interest previously accrued but not collected is reversed against current income, and the loan is charged off to the extent uncollectible. Principal and interest payments received on non-accrual loans are generally applied to principal. Interest is included in income only after all previous loan charge-offs have been recovered and is recorded only as received. The loan is returned to accrual status only when the borrower has brought all past-due principal and interest payments current and, in the opinion of management, has demonstrated the ability to make future payments of principal and interest as scheduled.

The Company may renegotiate the terms of existing loans during the normal course of business. When modifications are made to the terms of an existing loan, the Company assesses whether a borrower is experiencing financial difficulty. In making this assessment, the Company considers whether the borrower is currently in default on any of its debt and evaluates whether it is probable that the borrower would default on its obligations in the foreseeable future absent the loan modification. The Company also considers whether the borrower could obtain comparable financing from another lender at market terms for similar debt, without the modification. Modifications of loans to borrowers in these situations may indicate that the borrower is facing financial difficulty.

Allowance for Credit Losses on Loans

The allowance for credit losses on loans is a valuation amount that is deducted from the amortized cost basis of loans not held at fair value to present the net amount expected to be collected over the contractual term of the loans. The allowance for credit losses on loans is measured using relevant information about past events, including historical credit loss experience on loans with similar risk characteristics, current conditions, and reasonable and supportable forecasts that affect the collectability of the remaining cash flow over the contractual term of the loans. An allowance will be created upon origination or acquisition of a loan and is updated at subsequent reporting dates. The methodology is applied consistently for each reporting period and reflects management's current expectations of credit losses. Changes to the allowance for credit losses on loans resulting from periodic evaluations are recorded through increases or decreases to the credit loss expense for loans, which is recorded in provision for credit losses on the consolidated statements of income. Loans that are deemed to be uncollectible are charged off against the related allowance for credit losses on loans. The allowance for credit losses on loans is measured on a collective (pool) basis. Loans are aggregated into pools based on similar risk characteristics including borrower type, collateral type, and expected credit loss patterns. The Company maintains a policy to reverse accrued and unpaid interest when a loan is placed on non-accrual. Therefore, an allowance is not recorded for accrued interest.

Liability for Unfunded Lending Commitments

The Company's accrual for credit risk associated with unfunded lending commitments is maintained at a level that is appropriate to cover estimated losses associated with credit instruments that are not currently recognized as assets such as loan commitments, standby letters of credit or guarantees that are not unconditionally cancellable by the bank. This accrual is included in other liabilities in the consolidated balance sheets with changes to the liability recorded through increases or decreases to the provision for credit losses on the consolidated statements of income. The methodology used to measure credit losses for unfunded lending commitments is the same as the methodology used for loans, however, the estimate of credit risk for unfunded lending commitments takes into consideration the likelihood that funding will occur. The liability for unfunded lending commitments excludes any exposures that are unconditionally cancellable by the Company.

Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line or declining balance method depending upon the type of asset. The Company generally assigns depreciable lives of 25-30 years for buildings; 15 years for building improvements; 15 years for land improvements; and 3-7 years for furniture, equipment, and software. Maintenance and repair costs are charged to expense as incurred. Major improvements are individually considered and are capitalized or expensed as the facts dictate.

Goodwill and Other Intangible Assets

Goodwill represents the excess of cost over equity in net assets of entities acquired. The Company accounts for goodwill in accordance with ASC 350, *Intangibles – Goodwill and Other*. Under ASC 350, goodwill and intangible assets that have indefinite useful lives are not amortized, but rather tested at least annually for impairment. Intangible assets that have finite useful lives continue to be amortized over 7 to 20 years. The Company performs an annual qualitative evaluation of goodwill. Based on the results of this qualitative assessment, if the Company concludes it is more likely than not that a reporting unit's fair value is less than its carrying amount, a quantitative analysis is performed. If the fair value of a reporting unit is less than the carrying amount, an impairment has occurred and is measured as the amount by which the carrying amount exceeds the reporting unit's fair value. The Company has not recorded impairment resulting from goodwill impairment tests during the years ended December 31, 2024 and 2023.

Foreclosed Assets

Foreclosed assets represent property that has been repossessed following default on a loan. These assets primarily consist of commercial and residential real estate, as well as other non-real estate property such as automobiles. Upon foreclosure, the assets are initially recognized at fair value, less estimated costs to sell, with any necessary valuation adjustments reflected in the allowance for credit losses.

The fair value of foreclosed assets is generally determined based on independent appraisals, third-party price opinions, or internally developed pricing models. These fair value estimates are reviewed and updated periodically to help ensure they accurately reflect market conditions.

Subsequent declines in fair value below the carrying amount are recognized through valuation allowances, which may be reversed if future increases in fair value occur. Any adjustments to the carrying value, along with realized gains or losses on the sale of foreclosed assets, as well as net operating expenses related to these assets, are recorded within other expenses.

Income Taxes

The Company and its subsidiaries file a consolidated federal income tax return. State and local income tax returns are filed on a combined, consolidated, or separate return basis based upon each jurisdiction’s laws and regulations. Deferred tax assets and liabilities are recognized based upon the differences between the values of assets and liabilities as recognized in the financial statements and their related tax basis using enacted tax rates in effect for the year in which the differences are expected to be recovered or settled. The effect of changes in statutory tax rates on the measurement of deferred tax assets and liabilities is recognized through income tax expense in the period the change is enacted. A valuation allowance is provided when it is more likely than not that some portion of the entire deferred tax asset may not be realized.

Comprehensive Income

Comprehensive income is defined as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. For the Company, this includes net income, changes in unrealized gains and losses on AFS investment securities, and the net periodic benefit cost related to the Company’s defined benefit pension plan, net of applicable tax effects. The amounts recognized in accumulated other comprehensive loss related to the defined benefit pension plan are adjusted out of accumulated other comprehensive loss when they are subsequently recognized as components of net periodic benefit cost.

Mortgage Banking

The fair value of retained mortgage servicing rights related to loans originated and sold is capitalized as an asset in accordance with ASC 860, *Accounting for Servicing of Financial Assets*, thereby increasing the gain on sale of the loan by the amount of the asset. Such mortgage servicing rights are amortized in proportion to and over the period of estimated net servicing income, considering appropriate prepayment assumptions. Any remaining unamortized amount is charged to expense if the related loan is repaid prior to maturity.

Management monitors the capitalized mortgage servicing rights on a disaggregated basis by stratum for impairment based on the fair value of those rights. Any impairment is recognized through a valuation allowance.

Derivative Financial Instruments

ASC 815, *Derivatives and Hedging*, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. Accordingly, the Company records all derivatives at fair value.

The Company enters into interest rate lock commitments on certain mortgage loans related to mortgage banking operations on a best-efforts basis, which are commitments to originate loans where the interest rate on the loan is determined prior to funding. The Company also originates and sells certain loans related to mortgage banking operations on a mandatory delivery basis. To hedge interest rate risk, the Company sells short positions in mortgage-backed securities related to the loans sold on a mandatory delivery basis. The commitments to originate and short positions are accounted for as derivatives and carried at fair value in other assets and other liabilities with changes in fair value recorded in mortgage banking revenues, net.

The Company maintains an overall interest rate risk management strategy that permits the use of derivative instruments to modify exposure to interest rate risk. The Company's interest rate risk management strategy includes the ability to modify the repricing characteristics of certain assets and liabilities to help reduce the risk that changes in interest rates adversely affect the net interest margin and cash flows. Interest rate swaps may be used on a limited basis as part of this strategy. The Company also makes interest rate swap contracts available to customers who wish to modify their interest rate sensitivity. The Company offsets the interest rate risk of these swaps by purchasing matching contracts with offsetting pay/receive rates from other financial institutions.

Customer Repurchase Agreements

The Company engages in customer transactions involving the sale of securities under agreements to repurchase as of a specified future date. Such repurchase agreements are considered collateralized financing transactions, not as a sale of the underlying securities. The obligation to repurchase assets sold is reflected as a liability in the consolidated balance sheet of the Company at the amount of cash received in the transaction. The fair value of collateral provided to a counterparty is monitored daily, and collateral is returned or provided by the Company in order to maintain full collateralization for these transactions.

Stock Based Compensation

The Company's stock-based compensation plan, as detailed in Note 11, "Stock-Based Compensation" is accounted for in accordance with the guidance set forth in ASC 718, Compensation—Stock Compensation. Specifically, the Company adheres to the provisions outlined in ASC 718-10-30-3 and ASC 718-10-35-2, which require the measurement of stock-based compensation based on the fair value of the awards granted at the grant date.

The fair value for restricted stock awards (RSAs) is based on the weighted average market price of the Company's Class B common stock during a specified period that is within 30 days before or 30 days after grant date, as determined by the Board of Directors in its sole discretion. The cost of stock-based compensation is recognized over the requisite service period, which is typically the vesting period, in accordance with the principles of ASC 718.

The Company recognizes stock-based compensation expense in the consolidated statements of income within "Salaries and Benefits." The expense is recognized over the vesting period, with the total expense being adjusted for forfeitures only when they occur, in line with the policy outlined under ASC 718. Forfeitures are accounted for on an actual basis, and no estimated forfeitures are included in the initial measurement of compensation cost.

Treasury Stock

The Company accounts for treasury stock under the cost method, as outlined in ASC 505-30, Equity—Treasury Stock. Purchases of the Company's common stock are recorded at cost, which includes all direct costs associated with the acquisition. When treasury stock is reissued, the carrying value of treasury stock is reduced based on the average cost basis of the shares held in treasury.

Income Per Share

The Company applies the two-class method for the computation of income per share, as prescribed by ASC 260, Earnings Per Share. The two-class method is an earnings allocation formula that determines income per share for common stock and for participating securities, according to dividends declared and participation rights in undistributed earnings.

The Company's nonvested share-based awards vest based on the satisfaction of service conditions and are subject to forfeiture until such conditions are met. These nonvested share-based awards are not considered participating securities for the purpose of calculating income per share and as such do not participate in undistributed earnings. However, dividends or dividend equivalents declared or paid on nonvested share-based awards with forfeitable dividend rights are deducted from the income available to common stockholders. Such amounts reflect dividends that have been allocated to other-than-common stockholders and reduce the amount of income available for distribution to common stockholders.

Recent Accounting Pronouncements

Credit Losses – In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The update replaces the current incurred loss methodology for recognizing credit losses with a current expected loss model, which requires the measurement of all expected credit losses for financial assets held at the report date based on historical experience, current conditions, and reasonable and supportable forecasts. The amendment broadens the information that the entity must consider in developing its expected credit loss estimates. Additionally, the update amends the accounting for credit losses on AFS debt securities. The update requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimated credit losses, as well as the credit quality and underwriting standards of a company's loan portfolio. Discussion of the impact of adoption is included below, as well as in Note 3, Loans and Allowance for Credit Losses and Note 2, Investment Securities.

The Company adopted CECL using the modified retrospective method for all financial assets measured at amortized cost and for unfunded lending commitments. Results for reporting periods beginning on or after January 1, 2023 are presented under CECL. The Company recorded a net increase to retained earnings of $5.2 million as of January 1, 2023 for the cumulative effect of adopting CECL, net of tax. The transition adjustment included a decrease to the allowance for credit losses of $6.0 million related to the loan portfolio, an increase to the allowance for credit losses related to HTM securities of $31 thousand.

On March 31, 2022, the FASB issued ASU 2022-02, *Financial Instruments – Credit Losses (Topic 326):Troubled Debt Restructuring and Vintage Disclosures,* which eliminated the accounting guidance on troubled debt restructurings ("TDRs") for creditors in ASC 310-40. ASU 2022-02 requires that an entity evaluate whether the modification represents a new loan or a continuation of an existing loan. The amendments also enhance existing disclosure requirements and introduce new requirements related to certain modifications of receivables made to borrowers experiencing financial difficulty. Further, it requires entities to disclose gross write-offs recorded in the current period by year of origination in the vintage disclosures on a year-to-date basis. The guidance was effective January 1, 2023. The adoption of this pronouncement did not have a significant effect on the Company's financial position, results of operations, or cash flows of the Company. The new required disclosures have been included in the notes to the consolidated financial statements.

Income Taxes – In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures.* This update establishes additional disclosure requirements regarding rate reconciliation and income taxes paid. This update also removes certain existing disclosure requirements. This update is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The amendments in this update should be applied on a prospective basis, though retrospective application is permitted. Other than the inclusion of additional disclosures, the Company does not expect the change to have a significant effect on the Company's consolidated financial statements.

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

(2) Investment Securities

The table below includes the fair value of equity securities as of December 31, 2024 and 2023. Equity investments with no readily determinable fair value are carried at cost. Federal Home Loan Bank and Federal Reserve stock represent equity interests the Company is required to hold in the Federal Reserve Bank and Federal Home Loan Bank. These amounts are also carried at cost as they do not have a readily determinable fair value because ownership of these shares is restricted, and they lack a market.

(in thousands)

Equity Securities		12/31/2024	12/31/2023
Common and preferred stock with readily determinable fair value	$	724	2,212
Federal Home Loan Bank stock		10,708	10,830
Federal Reserve Bank stock		26,057	26,057
Other - no readily determinable fair value		11,281	11,147
Total equity securities	$	48,770	50,246

As of December 31, 2023, the Company held 66,020 shares of Visa Inc. Class B-1 common stock that had a carrying value of zero as there had not been observable price changes in orderly transactions for identical or similar investments. On January 23, 2024, Visa, Inc.'s shareholders approved an exchange offer that allowed holders of Class B-1 shares to convert up to 50% of their holdings into Visa Class C shares, which could later be converted into freely transferable Visa Class A common shares, subject to certain restrictions and holding period conditions (the "Exchange Offer"). The Exchange Offer opened on April 8, 2024, and expired on May 3, 2024. The Company tendered all of its 66,020 Class B-1 Visa shares under the offer, receiving 33,010 Visa Class B-2 shares and 13,100 Visa Class C shares. The Visa Class C shares automatically convert into four Visa Class A shares upon transfer to anyone other than a Visa member or affiliate.

In the second quarter of 2024, the Company sold 34,928 Visa Class A shares, recognizing $9.7 million in pre-tax gains. An unrealized gain of $4.6 million was recognized on the remaining Visa Class C shares based on the closing price of Visa Class A shares, reflecting market transactions involving similar Visa securities. The Company sold the remaining Visa Class C shares, equating to 17,472 Visa Class A shares, in the third quarter, realizing a pre-tax gain of $4.5 million. The 33,010 of Visa Class B-2 shares retain the same restrictions as the former Class B-1 shares and have a carrying value of zero, as there have not been observable price changes in orderly transactions for identical or similar investments of the same issuer.

During 2024 and including the gain on VISA shares outlined above, $14.7 million in net gains were recorded on common and preferred stock, consisting of $16 million in gains realized on sales during 2024 and a $1.3 million decrease in unrealized gains on the portfolio. In 2023, $1.1 million in net gains were recorded on common and preferred stock, consisting of $2.8 million in gains realized on sales during 2023 and $1.7 million decrease in unrealized gains on the portfolio.

The following tables show the carrying amount, gross unrealized holding gains, gross unrealized holding losses, and fair value of AFS and HTM securities by security type at December 31, 2024 and 2023.

(in thousands)		Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair values	Allowance for credit losses	Net carrying amount
2024							
Available for sale:							
United States treasuries	$	1,291,137	752	(22,336)	1,269,553	—	1,269,553
United States debentures		373,869	54	(4,635)	369,288	—	369,288
United States agency mortgage-backed securities		4,078,956	6,535	(170,739)	3,914,752	—	3,914,752
Obligations of states and political subdivisions		21,274	79	(212)	21,141	—	21,141
Other securities		29,648	12	(671)	28,989	—	28,989
	$	5,794,884	7,432	(198,593)	5,603,723	—	5,603,723
Held to maturity:							
United States agency mortgage-backed securities	$	25	1	—	26	—	26
Obligations of states and political subdivisions		3,221	—	(16)	3,205	(21)	3,184
	$	3,246	1	(16)	3,231	(21)	3,210

(in thousands)		Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair values	Allowance for credit losses	Net carrying amount
2023							
Available for sale:							
United States treasuries	$	1,634,429	—	(85,117)	1,549,312	—	1,549,312
United States debentures		1,065,318	57	(53,253)	1,012,122	—	1,012,122
United States agency mortgage-backed securities		2,592,784	1,501	(197,095)	2,397,190	—	2,397,190
Obligations of states and political subdivisions		34,764	114	(341)	34,537	—	34,537
Other securities		37,087	15	(958)	36,144	—	36,144
	$	5,364,382	1,687	(336,764)	5,029,305	—	5,029,305
Held to maturity:							
United States agency mortgage-backed securities	$	36	—	—	36	—	36
Obligations of states and political subdivisions		4,023	4	(3)	4,024	(26)	3,998
	$	4,059	4	(3)	4,060	(26)	4,034

Accrued interest receivable totaled $22.0 million and $16.9 million at December 31, 2024 and 2023, respectively, and is included within other assets on the consolidated balance sheets.

The amortized cost and fair value of AFS and HTM securities at December 31, 2024, by contractual maturity, are shown below:

		United States government obligations and government-sponsored enterprises		Obligations of states and political subdivisions		Other securities*	
(in thousands)		Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value
Available for sale:							
Within 1 year	$	739,848	730,909	4,780	4,767	20,614	20,145
After 1 but within 5 years		925,158	907,932	15,810	15,706	3,500	3,360
After 5 but within 10 years		—	—	259	247	—	—
After 10 years		—	—	425	421	—	—
Mortgage – and asset-backed securities		4,078,956	3,914,752	—	—	5,534	5,484
	$	5,743,962	5,553,593	21,274	21,141	29,648	28,989
Held to maturity:							
Within 1 year	$	—	—	1,539	1,537	—	—
After 1 but within 5 years		—	—	1,647	1,632	—	—
After 5 but within 10 years		—	—	35	36	—	—
After 10 years		—	—	—	—	—	—
Mortgage – and asset-backed securities		25	26	—	—	—	—
	$	25	26	3,221	3,205	—	—

* Other securities consist primarily of corporate bonds.

Proceeds from sales of AFS securities in 2024 and 2023 were $1 billion and $663 million, respectively. Net losses of $51.2 million and net losses of $20 million were recognized on the sale of AFS securities in 2024 and 2023, respectively. Management did not record an ACL on the remaining securities in an unrealized loss position at December 31, 2024 because scheduled coupon payments have been made and management anticipates that the entire principal balance will be collected as scheduled.

Investment securities and money market obligations with a carrying value of approximately $3.9 billion and $3.9 billion were pledged to secure public deposits, repurchase agreements, and borrowed funds at December 31, 2024 and 2023, respectively.

Allowance for credit losses on investment securities:

The Company adopted ASU 2016-13, Measurement of Credit Losses on Financial Instruments on January 1, 2023. The principles for expected credit losses apply to all financial assets valued at cost, including our portfolio of HTM debt securities. The expected credit losses for these assets are determined based on the likelihood of default and the potential loss in the event of default, using assumptions that correspond to loans with similar credit profiles. The Company recorded an allowance for credit losses on its HTM securities of $21 thousand and $26 thousand at December 31, 2024 and 2023, respectively.

All AFS securities not issued or guaranteed by the U.S. Government, its agencies, or sponsored enterprises are subject to a quarterly review to test for impairment. This process requires the Company to adequately test for a range of credit and loss assumptions and does not rely primarily on credit ratings. This revealed no matters that would warrant impairment and result in an allowance for credit losses as of December 31, 2024 and 2023, respectively. The Company determined that all unrealized losses in its available-for-sale portfolio are primarily attributable to changes in interest rates and current market conditions.

Special emphasis and analysis are placed on securities that have experienced a negative credit rating event, are below investment grade, or have an uncertain financial outlook. These securities are placed on a watch list and monitored for further developments. At December 31, 2024, the fair value of securities on this watch list was $2.2 million compared to $2.8 million at December 31, 2023.

The table below summarizes debt securities AFS in an unrealized loss position, aggregated by length of impairment period, for which an allowance for credit losses has not been recorded. Unrealized losses on these AFS securities have not been recognized as income because after review, the securities were deemed not to be impaired. The unrealized losses on these securities are primarily attributable to changes in interest rates and current market conditions. Additionally, management does not intend to sell the securities, and it is more likely than not that management will not be required to sell the securities prior to the anticipated recovery.

Gross unrealized losses on AFS investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2024 and 2023 were as follows:

		Less than 12 months		12 months or more		Total	
(in thousands)		**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
2024							
Available for sale:							
United States government obligations and government-sponsored enterprises	$	1,468,478	(14,293)	2,757,421	(183,418)	4,225,899	(197,711)
Obligations of states and political subdivisions		2,239	(16)	9,618	(195)	11,856	(211)
Other securities		717	—	26,691	(671)	27,409	(671)
	$	1,471,434	(14,309)	2,793,730	(184,284)	4,265,164	(198,593)

		Less than 12 months		12 months or more		Total	
(in thousands)		**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
2023							
Available for sale:							
United States government obligations and government-sponsored enterprises	$	260,209	(1,669)	4,544,915	(333,796)	4,805,124	(335,465)
Obligations of states and political subdivisions		3,952	(11)	19,535	(330)	23,487	(341)
Other securities		—	—	32,442	(958)	32,442	(958)
	$	264,161	(1,680)	4,596,892	(335,084)	4,861,053	(336,764)

Gross unrealized losses on HTM investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2024 and 2023 were as follows:

	Less than 12 months		12 months or more		Total	
(in thousands)	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
2024						
Held to maturity:						
United States government obligations and government-sponsored enterprises	$ —	—	—	—	—	—
Obligations of states and political subdivisions	1,278	(15)	149	(1)	1,427	(16)
	$ 1,278	(15)	149	(1)	1,427	(16)

	Less than 12 months		12 months or more		Total	
(in thousands) 2023	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Held to maturity:						
United States government obligations and government-sponsored enterprises	$ —	—	33	—	33	—
Obligations of states and political subdivisions	449	(3)	—	—	449	(3)
	$ 449	(3)	33	—	482	(3)

For obligations of states and political subdivisions, the Company's holdings are primarily in general obligation and revenue bonds. The Company monitors credit risk, including both pre-purchase and ongoing post-purchase credit reviews and analysis. The Company monitors credit ratings of all bond issuers in these segments and reviews available financial data, including market and sector trends. The underlying bonds are evaluated for credit losses in conjunction with management's estimate of the allowance for credit losses.

The following table shows the amortized cost basis by credit rating of the Company's HTM obligations of states and political subdivisions at December 31, 2024 and 2023.

(in thousands)					
2024	**Non-Rated**	**A**	**AA**	**AAA**	**Grand Total**
Obligations of states and political subdivisions	$ 35	40	2,996	150	3,221
2023	**Non-Rated**	**A**	**AA**	**AAA**	**Grand Total**
Obligations of states and political subdivisions	$ 39	80	3,274	630	4,023

All HTM securities were current and not past due at December 31, 2024 and 2023.

(3) Loans and Allowance for Credit Losses

Loans consisted of the following at December 31, 2024 and 2023:

(in thousands)		2024	2023
Construction and development	$	867,349	987,548
Commercial non-real estate		1,874,906	1,906,260
Multifamily residential real estate		825,755	894,770
Non-owner-occupied commercial real estate		2,372,010	2,195,757
Owner-occupied commercial real estate		1,572,955	1,556,839
Commercial real estate		4,770,720	4,647,366
Home equity lines of credit		349,011	307,113
All other residential real estate		2,791,087	2,471,151
Residential real estate		3,140,098	2,778,264
Consumer credit card		93,825	89,724
All other consumer		903,452	1,109,007
Consumer		997,277	1,198,731
Total unpaid principal balance		11,650,350	11,518,169
Less unearned income, net		26,259	32,881
Total Loans	$	11,624,091	11,485,288

Accrued interest receivable totaled $45.9 million and $45.0 million at December 31, 2024 and 2023, respectively, and is included within other assets on the consolidated balance sheets.

No loans were acquired by the Company in 2024 or 2023.

Loans made to officers and directors of the Company are summarized below. They were made in the ordinary course of business and otherwise on terms consistent with those available to all customers.

(in thousands)		2024
Balance at beginning of year	$	276,615
New loans		41,611
Repayments		(43,614)
Other changes		191
Balance at end of year	$	274,803

Mortgage loans held-for-sale at December 31, 2024 and 2023 totaled approximately $34.3 million and $35.4 million, respectively. The Company determines at the time of origination whether mortgage loans will be held for the Company's portfolio or sold to the secondary market. Loans originated and intended for sale in the secondary market are recorded using the fair value option. The election of the fair value option aligns the accounting for these loans with the related economic hedges discussed in Note 18.

The Company has outstanding commitments to provide loans to customers and also has issued letters of credit. Loan 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. Letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as is involved in extending loan facilities to customers. At December 31, 2024 and 2023, the Company had unfunded loan commitments of $2.9 billion and $3.2 billion, respectively. Outstanding letters of credit as of December 31, 2024 and 2023 amounted to $89.1 million and $93.3 million, respectively.

The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary, by the Company upon extension of credit is based on management's credit evaluation of the customer. Collateral held varies, but may include accounts receivable, inventory, property, plant, equipment, and income-producing commercial properties. The Company's banking markets are located throughout the states of Missouri, Kansas, Illinois, Iowa, Oklahoma, Colorado, North Carolina, Tennessee, Florida, and Arkansas and the Company's loan portfolio has no unusual geographic concentrations of credit risk beyond its market areas.

Allowance for Credit Losses

The allowance for credit losses is measured using an average historical loss model which incorporates relevant information about past events (including historical credit loss experience on loans with similar risk characteristics), current conditions, and reasonable and supportable forecasts that affect the collectability of the remaining cash flows over the contractual term of the loans. The allowance for credit losses is measured on a collective (pool) basis. Loans are aggregated into pools based on similar risk characteristics including borrower type and collateral type – construction and development, commercial non-real estate, multifamily residential real estate, non-owner-occupied real estate, owner-occupied real estate, home equity lines of credit, all other residential real estate, consumer credit card, and all other consumer credit. Loans that do not share similar risk characteristics, primarily large loans on non-accrual status are evaluated on an individual basis.

For loans evaluated for credit losses on a collective basis, an average historical loss rate is calculated for each pool using the Company's historical net charge-offs (combined charge-offs and recoveries by observable historical reporting period) and outstanding loan balances during a lookback period. Lookback periods can be different based on the individual pool and represent management's credit expectations for the pool of loans over the remaining contractual period. Due to changes in portfolio composition, the Company's own historical loss rates are not fully reflective of loss expectations and have been augmented by industry and peer data. Therefore, the historical loss rates are augmented by peer data. The calculated average net charge-off rate is then adjusted for current conditions and reasonable and supportable forecasts. These adjustments increase or decrease the average historical loss rate to reflect expectations of future losses given a single path economic forecast of key macroeconomic variables including GDP, unemployment rate, various interest rates, HPI, and CREPI. The adjustments are based on results from various regression models projecting the impact of the macroeconomic variables to loss rates. The forecast is used for four quarters and then reverts back to historical averages using a four-quarter straight-line reversion method. The forecast adjusted loss rate is applied to the amortized cost of loans over the remaining contractual lives, adjusted for expected prepayments. The contractual term excludes expected extensions (except for contractual extensions at the option of the customer), renewals and modifications. Credit cards and certain similar consumer lines of credit, included in the individual loan totals, do not have stated maturities and therefore, for these loan classes, remaining contractual lives are determined by estimating future cash flows expected to be received from customers until payments have been fully allocated to outstanding balances. Additionally, the allowance for credit losses considers other qualitative factors not included in historical loss rates or macroeconomic forecast such as changes in portfolio composition, underwriting practices, or significant unique events or conditions.

Key model assumptions in the Company's allowance for credit loss model include the economic forecast, the reasonable and supportable forecast period, prepayment assumptions and qualitative factors applied for portfolio composition changes, underwriting practices, or significant unique events or conditions. The assumptions utilized in estimating the Company's allowance for credit losses at December 31, 2024 and December 31, 2023 are discussed below.

Key Assumption	December 31, 2024	December 31, 2023
Overall economic forecast	- Forecast provided by Oxford Economics - Uncertainty around economic forecasts prior to the change in administration. - Forecasted GDP growth with expectations that imports will be front-loaded ahead of tariffs. - Path of monetary policy is uncertain with anticipation of rate cuts skewing towards fewer.	- Forecast provided by Oxford Economics - Expect the economy to experience a slowdown as consumer spending levels are believed to be unsustainable. - Inflation remains above targeted levels resulting in high interest rates and the first rate cut not occurring until later in the supportable period.
Reasonable and supportable period and related reversion period	- 4 quarter reasonable and supportable period - 4 quarter reversion to historical average loss rates using straight line method	- 4 quarter reasonable and supportable period - 4 quarter reversion to historical average loss rates using straight line method
Forecasted macro-economic variables	- Unemployment between 4.2% and 4.3% - GDP of 2.6% - Prime rate is 7.5%, with a 25 basis point decline each quarter of the supportable forecast period	- Unemployment ranging from 3.8% to 4.5% - GDP of 1.2% - Prime rate is 8.5%, declining to 8.25% at the end of the supportable forecast
Prepayment assumptions	- Commercial loan prepayment speeds of 14.4% - Mortgage and HELOC prepayment speeds of 18.3% - Consumer loan and credit card prepayment speeds of 15%	- Commercial loan prepayment speeds of 18.8% - Mortgage and HELOC prepayment speeds of 17.5% and 13.3% respectively - Consumer loan and credit card prepayment speeds of 15%
Qualitative factors	Qualitative adjustments for: - Economic uncertainty related to geopolitical risks and upcoming change in administration - Ongoing impact of inflation and increased rate environment on customer ability to repay - Changes in portfolio composition, concentrations, and underwriting standards	Qualitative adjustments for: - Impact of inflation and ongoing high rate environment on customer ability to repay - Increasing delinquencies, particularly in the consumer portfolio - Changes in portfolio composition, concentrations, and underwriting standards

The liability for unfunded lending commitments utilizes the same model as the allowance for credit losses on loans, however, the liability for unfunded lending commitments incorporates an assumption for the portion of unfunded commitments that are expected to be funded. The unfunded commitments allowance is included within other liabilities on the consolidated balance sheets.

Sensitivity in the Allowance for Credit Loss Model

The allowance for credit losses is an estimate that requires significant judgment including projections of the macro-economic environment. The forecasted macro-economic environment continuously changes which can cause fluctuations in estimated expected losses.

The following is a summary of the activity in the allowance for credit losses on loans and the liability for unfunded lending commitments during the year ended December 31, 2024 and December 31, 2023. Included within commercial loans are the following pools – real estate development & construction, commercial real estate (CRE), owner-occupied CRE, commercial & industrial (C&I), and multifamily residential loans. Included within residential real estate are 1-4 family residential and home equity loans. Included within individual loans are consumer and credit card loans.

			Commercial real estate			Residential real estate		Consumer		
(in thousands)	Construction & development	Commercial non-real estate	Multifamily residential real estate	Non-owner-occupied commercial real estate	Owner-occupied commercial real estate	Home equity Lines of Credit	All other residential real estate	Consumer credit card	All other consumer credit	Total
For the year ended December 31, 2024:										
Allowance for credit losses on loans										
Balance at beginning of year	$ 24,505	21,180	8,983	14,481	9,626	4,885	32,280	8,071	30,798	154,809
Provision for credit losses on loans	(2,829)	6,043	(631)	3,787	(201)	(388)	4,510	3,437	948	14,676
Loans charged off	(950)	(6,900)	—	(1,821)	(5)	(11)	(355)	(3,894)	(10,929)	(24,865)
Recoveries on loans previously charged off	125	3,592	—	16	520	19	304	685	4,398	9,659
Balance at end of year	20,851	23,915	8,352	16,463	9,940	4,505	36,739	8,299	25,215	154,279
Liability for unfunded commitments										
Balance at beginning of year	152	206	5	9	8	188	—	—	—	568
Provision for credit losses on unfunded lending commitments	20	(45)	(3)	(5)	2	(53)	—	—	—	(84)
Balance at end of year	172	161	2	4	10	135	—	—	—	484
Allowance for credit losses on loans and liability for unfunded lending commitments	$ 21,023	24,076	8,354	16,467	9,950	4,640	36,739	8,299	25,215	154,763

			Commercial real estate			Residential real estate		Consumer		
(in thousands)	Construction & development	Commercial non-real estate	Multifamily residential real estate	Non-owner-occupied commercial real estate	Owner-occupied commercial real estate	Home equity Lines of Credit	All other residential real estate	Consumer credit card	All other consumer credit	Total
For the year ended December 31, 2023:										
Allowance for credit losses on loans										
Balance at beginning of year	$ 36,973	28,763	16,908	13,384	9,329	4,205	27,785	3,944	16,338	157,630
Adoption of ASU 2016-13	(15,043)	(6,453)	(8,483)	1,469	242	(413)	3,568	2,903	16,241	(5,971)
Balance at January 1, 2023, adjusted	21,930	22,310	8,424	14,853	9,571	3,792	31,353	6,847	32,579	151,659
Provision for credit losses on loans	2,241	525	430	(487)	(597)	1,135	2,044	4,103	7,822	17,216
Loans charged off	(56)	(4,096)	—	—	—	(50)	(1,247)	(3,387)	(14,880)	(23,716)
Recoveries on loans previously charged off	391	2,440	128	115	652	9	130	509	5,276	9,650
Balance at end of year	24,505	21,180	8,983	14,481	9,626	4,885	32,280	8,071	30,798	154,809
Liability for unfunded commitments										
Balance at beginning of year	975	337	7	14	10	175	—	—	6	1,525
Adoption of ASU 2016-13	4	—	—	—	—	—	—	—	—	4
Balance at January 1, 2023, adjusted	979	337	7	14	10	175	—	—	6	1,529
Provision for credit losses on unfunded lending commitments	(827)	(131)	(2)	(5)	(2)	13	—	—	(6)	(961)
Balance at end of year	152	206	5	9	8	188	—	—	—	568
Allowance for credit losses on loans and liability for unfunded lending commitments	$ 24,657	21,386	8,988	14,490	9,634	5,073	32,280	8,071	30,798	155,377

Age Analysis of Past Due and Nonaccrual Loans

The Company considers loans past due on the day following the contractual repayment date if the contractual repayment was not received by the Company as of the end of the business day. The following table provides aging information on the Company's past due and accruing loans, in addition to the balances of loans on non-accrual status, at December 31, 2024 and 2023. Balances in the tables below represent total unpaid principal balances gross of unearned and unamortized loan fees and costs.

(in thousands)	Current or less than 30 days past due	30 – 89 Days past due	90 Days past due and still accruing	Nonaccrual	Total
At December 31, 2024:					
Construction and development	$ 863,163	1,850	-	2,336	867,349
Commercial non-real estate	1,856,053	15,636	256	2,961	1,874,906
Multifamily residential real estate	825,189	99	-	467	825,755
Non-owner-occupied commercial real estate	2,358,045	7,543	-	6,422	2,372,010
Owner-occupied commercial real estate	1,567,254	1,561	-	4,140	1,572,955
Commercial real estate	4,750,488	9,203	-	11,029	4,770,720
Home equity lines of credit	346,367	1,458	149	1,037	349,011
All other residential real estate	2,759,401	16,235	2,745	12,706	2,791,087
Residential real estate	3,105,768	17,693	2,894	13,743	3,140,098
Consumer credit card	91,539	1,957	329	-	93,825
All other consumer	883,940	13,587	-	5,925	903,452
Consumer	975,479	15,544	329	5,925	997,277
Total	$ 11,550,951	59,926	3,479	35,994	11,650,350

(in thousands)	Current or less than 30 days past due	30 – 89 Days past due	90 Days past due and still accruing	Nonaccrual	Total
At December 31, 2023:					
Construction and development	$ 985,983	1,353	-	212	987,548
Commercial non-real estate	1,899,114	5,682	310	1,154	1,906,260
Multifamily residential real estate	894,770	-	-	-	894,770
Non-owner-occupied commercial real estate	2,195,061	659	-	37	2,195,757
Owner-occupied commercial real estate	1,549,377	3,033	-	4,429	1,556,839
Commercial real estate	4,639,208	3,692	-	4,466	4,647,366
Home equity lines of credit	305,730	781	10	592	307,113
All other residential real estate	2,458,296	4,392	1,773	6,690	2,471,151
Residential real estate	2,764,026	5,173	1,783	7,282	2,778,264
Consumer credit card	88,732	848	144	-	89,724
All other consumer	1,088,214	15,542	1	5,250	1,109,007
Consumer	1,176,946	16,390	145	5,250	1,198,731
Total	$ 11,465,277	32,290	2,238	18,364	11,518,169

Nonaccruing loans at December 31, 2024 and 2023 totaled approximately $36 million and $18.7 million, respectively. At December 31, 2024 and 2023, the Company had $11.3 million and $4.1 million, respectively, of non-accrual business loans that had no allowance for credit loss. The interest income recorded on nonaccrual loans was approximately $1.2 million and $1.1 million in 2024 and 2023, respectively.

The following table provides information about the credit quality of the loan portfolio using the Company's internal rating system reflecting management's risk assessment. The *pass* category consists of a range of loan grades that reflect low to moderate, though still acceptable, risk. Loans are placed on *watch* status when (1) one or more weaknesses which could jeopardize timely liquidation exists; or (2) the margin or liquidity of an asset is sufficiently tenuous that adverse trends could result in a collection problem. Loans classified as *substandard* are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified may have a well-defined weakness or weaknesses that jeopardize the repayment of the debt. Such loans are characterized by the distinct possibility that the Company may sustain some loss if the deficiencies are not corrected. Loans are placed on *nonaccrual* status when (1) deterioration in the financial condition of the borrower exists for which payment of full principal and interest is not expected, or (2) upon which principal or interest has been in default for a period of 90 days or more and the asset is not both well secured and in the process of collection.

Loans are analyzed for risk rating updates as part of the annual credit review process. For larger loans, rating assessments may be more frequent if relevant information is obtained earlier through debt covenant or overall relationship management. Smaller loans are monitored as identified by the loan officer based on the risk profile of the individual borrower or if the loan becomes past due related to credit issues. Loans rated Watch, Substandard or Non-accrual may be subject to more frequent review and monitoring processes. In addition to the regular monitoring performed by the market lending personnel and credit committees, loans are subject to review by the Loan Review Department which verifies the appropriateness of the risk ratings for the loans chosen as part of its risk-based review plan.

The risk category of loans in the portfolio as of December 31, 2024 and December 31, 2023 are as follows:

At December 31, 2024:	Term Loans Amortized Cost Basis by Origination Year							
(in thousands)	**2024**	**2023**	**2022**	**2021**	**2020**	**Prior**	**Revolving Loans Amortized Cost Basis**	**Total**
Construction and development								
Risk Rating								
Pass	$ 320,004	176,393	164,289	104,744	10,987	13,752	55,897	846,066
Watch	248	3,824	11,509	-	-	-	2	15,583
Substandard	1,194	-	1,615	-	8	547	-	3,364
Non-accrual	-	1,632	142	459	89	14	-	2,336
Total Commercial	321,446	181,849	177,555	105,203	11,084	14,313	55,900	867,349
Commercial non-real estate								
Risk Rating								
Pass	399,016	252,671	235,271	178,160	90,397	184,191	494,970	1,834,676
Watch	219	877	5,160	9,378	39	210	401	16,285
Substandard	1,137	1,989	4,036	1,035	522	12,110	157	20,985
Non-accrual	48	2,222	275	53	89	122	152	2,961
Total Commercial	400,419	257,760	244,741	188,626	91,047	196,633	495,680	1,874,906
Multifamily residential real estate								
Risk Rating								
Pass	83,545	52,922	174,686	147,178	113,582	182,284	3,272	757,469
Watch	-	500	20,230	1,338	11,164	26,855	690	60,777
Substandard	-	-	-	-	3,524	3,518	-	7,042
Non-accrual	-	-	-	467	-	-	-	467
Total Commercial	83,545	53,422	194,916	148,984	128,269	212,657	3,962	825,755
Non-owner-occupied commercial real estate								
Risk Rating								
Pass	245,902	217,321	474,737	312,812	206,200	823,284	24,262	2,304,517
Watch	-	-	8,016	12,405	-	26,879	226	47,526
Substandard	-	-	6,219	585	-	6,742	-	13,545
Non-accrual	-	-	-	26	-	6,395	-	6,422
Total Commercial	245,902	217,321	488,971	325,828	206,200	863,300	24,488	2,372,010
Owner-occupied commercial real estate								
Risk Rating								
Pass	135,833	121,103	212,907	270,841	127,911	552,786	100,158	1,521,540
Watch	638	6,155	5,673	2,854	5,867	4,477	1,390	27,054
Substandard	1,752	229	5,076	464	2,519	8,405	1,777	20,222
Non-accrual	-	329	568	281	688	2,256	18	4,140
Total Commercial	138,223	127,817	224,225	274,440	136,984	567,923	103,343	1,572,955
Home equity lines of credit								
Risk Rating								
Accrual	1,176	692	207	-	-	2,929	342,970	347,974
Non-accrual	-	-	-	124	-	-	913	1,037
Total Residential Real Estate	1,176	692	207	124	-	2,929	343,883	349,011
All other residential real estate								
Risk Rating								
Accrual	640,678	525,271	621,285	455,146	192,331	342,663	1,006	2,778,381
Non-accrual	1,055	2,001	3,649	1,776	594	3,631	-	12,706
Total Residential Real Estate	641,733	527,272	624,934	456,922	192,926	346,294	1,006	2,791,087
Consumer credit card								
Risk Rating								
Current	-	-	-	-	-	-	91,539	91,539
30-89 days	-	-	-	-	-	-	1,957	1,957
90+ days	-	-	-	-	-	-	329	329
Total Consumer	-	-	-	-	-	-	93,825	93,825
All other consumer								
Risk Rating								
Current	328,142	175,298	169,605	91,594	48,299	20,552	50,451	883,941
30-89 days	1,305	3,608	4,220	2,639	1,141	674	-	13,587
Non-accrual	291	1,206	2,055	1,147	651	575	-	5,925
Total Consumer	329,739	180,111	175,880	95,380	50,091	21,801	50,451	903,452
Total loans	$ 2,162,183	1,546,243	2,131,428	1,595,506	816,602	2,225,849	1,172,537	11,650,350

At December 31, 2023:		Term Loans Amortized Cost Basis by Origination Year					Revolving Loans Amortized Cost Basis	
(in thousands)	2023	2022	2021	2020	2019	Prior		Total
Construction and development								
Risk Rating								
Pass	$ 278,091	381,401	172,535	53,096	17,070	17,413	61,805	981,411
Watch	558	1,406	-	-	-	-	32	1,995
Substandard	730	1,251	-	60	-	1,889	-	3,930
Non-accrual	-	-	-	98	-	113	-	212
Total Commercial	279,378	384,058	172,535	53,254	17,070	19,416	61,837	987,548
Commercial non-real estate								
Risk Rating								
Pass	372,134	339,981	273,357	125,867	53,965	179,353	520,968	1,865,626
Watch	2,403	2,995	2,913	561	204	14,332	7,757	31,165
Substandard	2,369	1,835	76	1,033	18	2,128	506	7,964
Non-accrual	44	481	252	111	22	242	353	1,505
Total Commercial	376,952	345,291	276,598	127,572	54,208	196,054	529,584	1,906,260
Multifamily residential real estate								
Risk Rating								
Pass	62,571	158,300	224,596	118,289	68,599	194,416	5,765	832,536
Watch	6,574	20,566	-	6,931	18,773	2,040	-	54,883
Substandard	-	-	-	3,629	214	3,508	-	7,351
Non-accrual	-	-	-	-	-	-	-	-
Total Commercial	69,145	178,866	224,596	128,849	87,586	199,963	5,765	894,770
Non-owner-occupied commercial real estate								
Risk Rating								
Pass	186,485	431,319	319,314	235,343	261,927	704,889	30,963	2,170,240
Watch	-	1,186	89	-	-	7,492	100	8,867
Substandard	-	-	-	-	-	16,613	-	16,613
Non-accrual	-	-	27	-	-	10	-	37
Total Commercial	186,485	432,504	319,430	235,343	261,927	729,004	31,063	2,195,757
Owner-occupied commercial real estate								
Risk Rating								
Pass	144,781	217,935	291,047	139,026	139,176	503,529	74,241	1,509,735
Watch	2,172	10,050	4,464	4,724	4,110	5,348	2,559	33,428
Substandard	50	1,584	534	-	1,055	5,001	1,024	9,247
Non-accrual	-	247	1,617	496	106	1,963	-	4,429
Total Commercial	147,003	229,815	297,662	144,246	144,447	515,841	77,825	1,556,839
Home equity lines of credit								
Risk Rating								
Accrual	1,189	-	180	-	-	3,189	301,963	306,521
Non-accrual	-	-	-	-	-	-	592	592
Total Residential Real Estate	1,189	-	180	-	-	3,189	302,555	307,113
All other residential real estate								
Risk Rating								
Accrual	624,146	693,026	508,076	219,624	114,454	299,596	5,539	2,464,461
Non-accrual	431	855	2,138	333	309	2,625	-	6,690
Total Residential Real Estate	624,577	693,880	510,214	219,957	114,763	302,220	5,539	2,471,151
Consumer credit card								
Risk Rating								
Current	-	-	-	-	-	-	88,732	88,732
30-89 days	-	-	-	-	-	-	848	848
90+ days	-	-	-	-	-	-	144	144
Total Consumer	-	-	-	-	-	-	89,724	89,724
All other consumer								
Risk Rating								
Current	468,016	273,605	161,536	88,960	26,189	30,989	38,920	1,088,214
30-89 days	2,982	5,405	3,998	1,926	505	726	-	15,542
90+ days	-	-	-	-	-	-	1	1
Non-accrual	559	1,659	1,270	982	242	537	-	5,250
Total Consumer	471,557	280,669	166,804	91,868	26,936	32,252	38,921	1,109,007
Total loans	$ 2,156,286	2,545,084	1,968,020	1,001,089	706,937	1,997,940	1,142,813	11,518,169

Collateral-dependent loans

The Company's collateral-dependent loans are comprised of loans where repayment of the loan is dependent on the sale or operation of the collateral. The Company requires that collateral-dependent loans be either over-collateralized or carry collateral equal to the amortized cost of the loan. The following table presents the amortized cost basis of collateral-dependent loans as of December 31, 2024 and December 31, 2023, by the expected source of repayment.

(in thousands)			Business	
At December 31, 2024:		Real Estate	Assets	Total
Construction and development	$	1,417	-	1,417
Commercial non-real estate		341	-	341
Multifamily residential real estate		467	-	467
Non-owner-occupied commercial real estate		6,772	-	6,772
Owner-occupied commercial real estate		3,800	-	3,800
All other residential real estate		2,777	47	2,824
Total	$	15,576	47	15,623

(in thousands)			Business	
At December 31, 2023:		Real Estate	Assets	Total
Construction and development	$	1,358	-	1,358
Commercial non-real estate		237	167	405
Non-owner-occupied commercial real estate		60	-	60
Owner-occupied commercial real estate		3,850	-	3,850
All other residential real estate		2,144	57	2,201
Total	$	7,648	225	7,873

Modifications for borrowers experiencing financial difficulty

The Company adopted ASU 2022-02 on January 1, 2023 which required that the Company evaluate whether modifications represent a new loan or a continuation of existing loans. When borrowers are experiencing financial difficulty, the Company may agree to modify the contractual terms of a loan to a borrower to assist the borrower in repaying principal and interest owed to the Company.

The Company's modification of loans to borrowers experiencing financial difficulty are generally in the form of term extensions, repayment plans, payment deferrals, forbearance agreements, interest rate reductions, forgiveness of interest and/or fees, or any combination thereof. Commercial loans modified to borrowers experiencing financial difficulty are primarily loans that are substandard or non-accrual, where the maturity date was extended. Modifications on personal real estate loans are primarily those placed on forbearance plans, repayment plans, or deferral plans where monthly payments are suspended for a period of time or past due amounts are paid off over a certain period of time in the future or set up as a balloon payment at maturity. Modifications to certain credit card and other small consumer loans are often modified under debt counseling programs that can reduce the contractual rate, or, in certain instances, forgive certain fees and interest charges. Other consumer loans modified to borrowers experiencing financial difficulty consist of various other workout arrangements with consumer customers.

The following tables present the amortized cost at December 31, 2024 and December 31, 2023 of loans that were modified during the year ended December 31, 2024 and December 31, 2023.

(in thousands) December 31, 2024		Term Extension	Payment Delay	Interest Rate Reduction	Interest/Fees Forgiven	Other	Total	% of Total Loan Category
Construction and development	$	2,710	-	-	2,126	556	5,392	0.62%
Commercial non-real estate		3,927	-	-	185	-	4,112	0.22%
Multifamily residential real estate		1,263	-	690	-	-	1,953	0.24%
Non-owner-occupied commercial real estate		10,268	2,869	-	5,663	-	18,800	0.79%
Owner-occupied commercial real estate		6,015	610	-	-	-	6,625	0.42%
Commercial real estate		17,547	3,479	690	5,663	-	27,379	0.57%
Home equity lines of credit		876	-	-	-	-	876	0.25%
All other residential real estate		3,167	1,217	1,036	-	-	5,419	0.19%
Residential real estate		4,043	1,217	1,036	-	-	6,295	0.20%
All other consumer		586	317	78	-	-	981	0.11%
Total	$	28,812	5,013	1,804	7,974	556	44,159	0.38%

(in thousands) December 31, 2023		Term Extension	Payment Delay	Interest Rate Reduction	Interest/Fees Forgiven	Other	Total	% of Total Loan Category
Construction and development	$	3,045	-	-	-	-	3,045	0.31%
Commercial non-real estate		1,603	-	-	1,995	191	3,788	0.20%
Multifamily residential real estate		837	-	-	-	-	837	0.09%
Non-owner-occupied commercial real estate		10,695	-	-	-	-	10,695	0.49%
Owner-occupied commercial real estate		4,793	-	-	8,332	268	13,392	0.86%
Commercial real estate		16,325	-	-	8,332	268	24,924	0.54%
Home equity lines of credit		587	-	180	-	-	767	0.25%
All other residential real estate		2,111	2,324	479	-	-	4,914	0.20%
Residential real estate		2,699	2,324	659	-	-	5,682	0.20%
All other consumer		1,033	-	779	204	-	2,016	0.18%
Total	$	24,704	2,324	1,438	10,530	459	39,455	0.34%

The estimate of lifetime expected losses utilized in the allowance for credit losses model is developed using average historical experience on loans with similar risk characteristics, which includes losses from modifications of loans to borrowers experiencing financial difficulty. As a result, a change to the allowance for credit losses is generally not recorded upon modification. For modifications to loans made to borrowers experiencing financial difficulty that are placed on nonaccrual status, the Company determines the allowance for credit losses on an individual evaluation, using the same process that it utilizes for other loans on nonaccrual status.

If a loan to a borrower experiencing financial difficulty is modified and when full and timely collection becomes uncertain, the allowance for credit losses continues to be based on individual evaluation, if that loan is already on nonaccrual status. For those loans, the allowance for credit losses is estimated using discounted expected cash flows or the fair value of collateral. If an accruing loan made to a borrower experiencing financial difficulty is modified and subsequently deemed uncollectible, the loan's risk rating is downgraded to nonaccrual status and the loan's related allowance for credit losses is determined based on individual evaluation, or if necessary, the loan is charged off and collection efforts begin.

The following tables summarize the financial impact of loan modifications and payment deferrals during the year ended December 31, 2024 and December 31, 2023.

	Term Extension
	For the year ended December 31, 2024
Construction and development	Extended maturity by a weighted average of 10.7 months.
Commercial non-real estate	Extended maturity by a weighted average of 9.3 months.
Multifamily residential real estate	Extended maturity by a weighted average of 9.8 months.
Non-owner-occupied commercial real estate	Extended maturity by a weighted average of 13.7 months.
Owner-occupied commercial real estate	Extended maturity by a weighted average of 24.0 months.
Home equity lines of credit	Extended maturity by a weighted average of 11.1 months.
All other residential real estate	Extended maturity by a weighted average of 17.1 months.
All other consumer	Extended maturity by a weighted average of 11.5 months.

	Payment Delay
	For the year ended December 31, 2024
Non-owner-occupied commercial real estate	Deferred certain payments by a weighted average of 1 year.
Owner-occupied commercial real estate	Deferred certain payments by a weighted average of 6.1 years.
All other residential real estate	Deferred certain payments by a weighted average of 1.4 years.
All other consumer	Deferred certain payments by a weighted average of 3.0 months.

	Interest Rate Reduction
	For the year ended December 31, 2024
Multifamily residential real estate	Reduced contractual interest from weighted average of 8.45% to 7.00%.
All other residential real estate	Reduced contractual interest from weighted average of 6.63% to 5.67%.
All other consumer	Reduced contractual interest from weighted average of 9.16 to 7.24%.

	Forgiveness of Interest/Fees
	For the year ended December 31, 2024
Construction and development	Approximately $5 thousand of interest and fees forgiven
Commercial non-real estate	Approximately $112 thousand of interest and fees forgiven
Non-owner-occupied commercial real estate	Approximately $1 thousand of interest and fees forgiven

	For the year ended December 31, 2023
Construction and development	Extended maturity by a weighted average of 22.9 months.
Commercial non-real estate	Extended maturity by a weighted average of 15.7 months.
Multifamily residential real estate	Extended maturity by a weighted average of 12.0 months.
Non-owner-occupied commercial real estate	Extended maturity by a weighted average of 11.3 months.
Owner-occupied commercial real estate	Extended maturity by a weighted average of 18.4 months.
Home equity lines of credit	Extended maturity by a weighted average of 18.9 months.
All other residential real estate	Extended maturity by a weighted average of 43.2 months.
Consumer	Extended maturity by a weighted average of 6.0 months.

	For the year ended December 31, 2023
Other residential real estate	Deferred certain payments by a weighted average of 5.0 months

	For the year ended December 31, 2023
Home equity lines of credit	Reduced contractual interest from weighted average 9.25% to 7.75%
All other residential real estate	Reduced contractual interest from weighted average 5.75% to 5.25%
Credit card	Reduced contractual interest rate from a weighted average 22.00% to 6.00%.
All other consumer	Reduced contractual interest rate from a weighted average 10.05% to 5.71%.

	For the year ended December 31, 2023
Construction and development	Approximately $2 thousand of interest and fees forgiven
Owner-occupied commercial real estate	Approximately $16 thousand of interest and fees forgiven
Consumer	Less than $1 thousand of interest and fees forgiven

The following table provides the amortized cost basis of loans to borrowers experiencing financial difficulty that had a payment default during the twelve months ended December 31, 2024 and were modified on or after January 1, 2024 through December 31, 2024. For purposes of this disclosure, the Company considers “default” to mean 90 days or more past due as to interest or principal.

(in thousands)	Term Extension	Payment Delay	Interest Rate Reduction	Total
Construction and development	$ 238	-	-	238
Commercial non-real estate	32	-	-	32
Multifamily residential real estate	467	-	-	467
Non-owner-occupied commercial real estate	3,526	-	-	3,526
Owner-occupied commercial real estate	1,725	-	-	1,725
All other residential real estate	1,575	527	754	2,856
Consumer	34	204	6	244
Total	$ 7,598	731	760	9,090

The following table provides the amortized cost basis of loans to borrowers experiencing financial difficulty that had a payment default during the twelve months ended December 31, 2023 and were modified on or after January 1, 2023 (the date we adopted ASU 2022-02) through December 31, 2023.

(in thousands)		Term Extension	Interest Rate Reduction	Interest/Fees Forgiven	Other	Total
Commercial non-real estate	$	919	-	-	191	1,110
Owner-occupied commercial real estate		825	-	365	-	1,190
All other residential real estate		313	479	-	-	792
Consumer		688	-	-	-	688
Total	$	2,744	479	365	191	3,779

The Company had commitments of $975 thousand and $4.2 million at December 31, 2024 and December 31, 2023, respectively, to lend additional funds to borrowers experiencing financial difficulty and for whom the Company has modified the terms of loans.

(4) Mortgage Banking Activities

The Company originates mortgage loans and sells those loans to the Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and private investors. Typically, these loans are sold with servicing retained by the Bank. Loans sold with servicing retained in 2024 and 2023 aggregated $255 million and $259.4 million, respectively. Loans serviced for investors aggregated $4.7 billion and $5 billion at December 31, 2024 and 2023, respectively.

Included in mortgage banking revenues in the accompanying consolidated statements of income for 2024 and 2023 are the following:

(in thousands)		2024	2023
Gains on sale of mortgage loans	$	26,090	18,400
Fees on real estate loans sold		3,279	4,028
Gains on interest rate lock commitments (IRLC) and associated hedging*		589	1,980
Servicing fees		12,122	12,705
Mortgage banking revenues, net	$	42,080	37,113

*For additional detail on this item see note 18.

Included in gain on sales of mortgage loans during 2024 and 2023 are capitalized mortgage servicing rights aggregating $2.9 million and $2.8 million, respectively.

The following assumptions were used in determining the fair value of the capitalized mortgage servicing rights:

	2024	2023
Discount Rate	9.31%	9.23%
Prepayment Speed	6.80%	7.00%
Delinquency Rate	0.79%	0.93%

A summary of the mortgage servicing rights is as follows:

(in thousands)		2024	2023
Balance at beginning of year	$	33,876	37,788
Capitalized mortgage servicing rights		2,866	2,806
Amortization		(6,319)	(6,718)
Change in valuation allowance		—	—
Balance at end of year	$	30,423	33,876

The valuation allowance at each of December 31, 2024 and 2023 was $0.

The following table shows the estimated future amortization expense based on existing asset balances and the interest rate environment as of December 31, 2024. The Company's actual amortization expense in any given period may be different from the estimated amounts depending upon the addition of new intangible assets, changes in mortgage interest rates, prepayment speeds, and other market conditions.

Year:		*(in thousands)*
2025	$	4,017
2026		3,574
2027		3,204
2028		2,872
Thereafter		16,756

(5) Land, Buildings, and Equipment

A summary of land, buildings, and equipment at December 31, 2024 and 2023 is as follows:

(in thousands)		2024	2023
Land	$	59,321	58,316
Buildings and improvements		294,479	296,157
Equipment		64,649	53,459
Right to use assets, net of amortization		30,187	32,198
		448,636	440,130
Less accumulated depreciation		233,320	222,199
	$	215,316	217,931

The following table shows the estimated future depreciation expense based on existing asset balances as of December 31, 2024:

Year:		*(in thousands)*
2025	$	15,072
2026		13,441
2027		11,156
2028		10,038
2029		8,784
Thereafter		67,317

Depreciation of buildings charged to operating expense was approximately $8.4 million and $8.5 million in 2024 and 2023, respectively, and is included in net occupancy expense on the consolidated statements of income. Depreciation of equipment charged to operating expense was approximately $7.4 million and $7.5 million in 2024 and 2023, respectively, and is included in equipment expense on the consolidated statements of income.

(6) Goodwill and Intangible Assets

Goodwill and core deposit intangible assets are summarized in the following table:

		2024			2023		
(in thousands)		Gross carrying amount	Accumulated amortization	Net amount	Gross carrying amount	Accumulated amortization	Net amount
Amortizable intangible assets:							
Core deposit intangible assets	$	26,052	(20,930)	5,122	26,052	(17,849)	8,203
Trust customer intangible asset		6,100	(4,569)	1,531	6,100	(4,261)	1,839
Goodwill		348,237	—	348,237	348,237	—	348,237

Aggregate amortization expense on core deposit and other intangible assets for the years ended December 31, 2024 and 2023 was $3.4 million and $3.5 million, respectively. The following table shows the estimated future amortization expense for the next five years based on existing asset balances and the interest rate environment as of December 31, 2024. The Company's actual amortization expense in any given period may be different from the estimated amounts depending on the addition of new intangible assets and other market conditions.

Year:		*(in thousands)*
2025	$	3,227
2026		2,483
2027		280
2028		271
2029		251
Thereafter		141

(7) Income Taxes

The components of income tax expense on operations for the years ended December 31, 2024 and 2023 are as follows:

(in thousands)		2024	2023
Current income tax expense:			
Federal	$	88,526	69,013
State		6,044	9,398
Total current income tax expense		94,570	78,411
Deferred income tax expense:			
Federal		(5,656)	2,339
State		(1,004)	294
Total deferred income tax expense		(6,660)	2,633
Total income tax expense on operations	$	87,910	81,044

The reasons for the difference between the effective tax rates of 22.3% and 22.9% for 2024 and 2023, respectively, and the current federal statutory income tax rate of 21%, are as follows:

	2024		2023	
(in thousands)	**Amount**	**Percent**	**Amount**	**Percent**
Income tax expense at federal statutory rate	$ 82,681	21.0	$ 74,495	21.0
Increase (reduction) in income taxes resulting from:				
Tax-exempt interest, net	(2,165)	(0.6)	(1,653)	(0.5)
Other tax-exempt income	(134)	(0.0)	(156)	(0.0)
Dividend exclusion	(41)	(0.0)	(45)	(0.0)
State income taxes, net of federal income tax	10,103	2.6	8,503	2.4
Nondeductible expenses	819	0.2	773	0.2
Federal and State tax credits, net of tax credit partnership amortization	(3,339)	(0.9)	(862)	(0.2)
Other, net	(14)	0.0	(11)	0.0
	$ 87,910	22.3	$ 81,044	22.9

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2024 and 2023 are presented below:

(in thousands)	**2024**	**2023**
Deferred tax assets:		
Loans, principally due to allowance for loan losses	$ 36,901	37,216
Accrued expenses	26,983	26,943
Buildings and equipment	928	2,373
Defined benefit plan	-	3,880
Unrealized loss on available-for-sale securities	45,573	79,882
Core Deposit Intangible	749	262
Unearned Revenue	526	-
Total gross deferred tax assets	111,660	150,556
Deferred tax liabilities:		
Prepaid pension expense	10,602	10,078
Mortgage servicing rights	7,253	8,113
Goodwill	35,924	34,717
Lease financing	29,502	37,945
Unrealized gain on equity securities	698	821
Capitalized Loan Costs	1,214	-
Defined Benefit Plans	1,773	-
Other	1,362	2,247
Total gross deferred tax liabilities	88,328	93,921
Net deferred taxes	$ 23,332	56,635

The Company has not recorded a valuation allowance related to the net deferred tax assets at December 31, 2024 or 2023 due to historical and expected future earnings of the Company.

The Company classifies interest and penalties on uncertain tax benefits as income tax expense. In the normal course of business, the Company provides for uncertain tax positions and the related interest and penalties and adjusts its unrecognized tax benefits and related interest and penalties accordingly. Unrecognized tax benefits decreased by $100 thousand during 2024, totaling $1.5 million at December 31, 2024.

Federal net operating loss (NOL) carryovers were acquired in certain acquisitions. The remaining amount of NOL carryover is $603 thousand and $689 thousand as of December 31, 2024 and 2023, respectively. The NOL expires in 2033. The annual use of the NOL is limited and the Company expects to use the remaining carryover before expiration.

With few exceptions, the Company's U.S. federal and state tax returns for years prior to 2021 are no longer subject to examination by tax authorities.

(8) Deposits

Maturities of time deposits are as follows at December 31, 2024:

Year:		*(in thousands)*
2025	$	1,602,357
2026		64,364
2027		17,559
2028		7,490
2029		5,039
Thereafter		90
	$	1,696,899

Time deposits include certificates of deposit of $250 thousand and over, totaling approximately $536.7 million and $493.4 million at December 31, 2024 and 2023, respectively. Interest expense on such deposits amounted to $20 million and $19.2 million in 2024 and 2023, respectively.

(9) Customer Repurchase Agreements

The Company's obligation to repurchase securities sold at December 31, 2024 and 2023 totaled $906.8 million and $1.1 billion, respectively. These are short-term borrowings that generally have one day maturities. Information concerning securities sold under agreements to repurchase during the year is as follows:

(in thousands)		**2024**	**2023**
Average monthly balance during the year	$	865,928	1,163,696
Maximum month-end balance during the year		919,153	1,299,276
Average interest rate during the year		2.39%	2.66%

Assets and liabilities relating to securities purchased under agreements to resell and securities sold under agreements to repurchase ("Customer repurchase agreements") are presented gross in the consolidated balance sheet and the Company is not party to any offsetting arrangements associated with these agreements. Resale and repurchase agreements to purchase/sell securities are subject to an obligation to resell/repurchase the same or similar securities and are accounted for as collateralized financing transactions, not as sales and purchases of the securities portfolio. The securities collateral accepted or pledged in resale and repurchase agreements with other financial institutions also may be sold or re-pledged by the secured party but is usually delivered to and held by third party trustees.

The table below shows the remaining contractual maturities of repurchase agreements outstanding at December 31, 2024, in addition to the various types of marketable securities that have been pledged as collateral for these borrowings.

		Remaining Contractual Maturity of the Agreements			
(in thousands)		Overnight and continuous	Up to 90 days	Greater than 90 days	Total
December 31, 2024:					
Repurchase agreements, secured by:					
U.S. government and federal agency obligations	$	25,071	—	—	25,071
Government-sponsored enterprise obligations		6,578	—	—	6,578
Mortgage-backed securities		875,147	—	—	875,147
Other		—	—	—	—
Total Repurchase agreements, gross amount recognized	$	906,796	—	—	906,796

(10) Employee Benefit Plans

The Company has a noncontributory defined benefit pension plan, the Central Bancompany, Inc. Retirement Plan (the Plan), available to qualified employees, as defined under the Plan. On November 14, 2018, the Company's Board of Directors approved an amendment to freeze the Plan, effective December 31, 2018. After December 31, 2018, participants in the Plan stopped accruing additional benefits for future service or compensation. Participants retained benefits accumulated as of December 31, 2018, in accordance with the terms of the Plan.

As part of its ongoing strategy to manage pension obligations, the Company purchased two separate group annuity contracts during the year ended December 31, 2024, to settle a portion of its defined benefit pension liability. On August 28, 2024, the Company purchased a group annuity contract from Pacific Life Insurance Company to settle pension liabilities related to approximately 1,104 retirees and beneficiaries. The annuity covered benefits totaling $81.8 million, reducing the Company's pension obligation by an equivalent amount. On December 5, 2024, the Company purchased an additional group annuity contract from Pacific Life Insurance Company to settle further pension obligations. This annuity covered the benefits of approximately 43 retirees and beneficiaries, with a corresponding reduction in the pension liability of $16.9 million. As of the date of the annuity purchases, the Company has no further obligation for the settled benefits, as the responsibility for payment of benefits now rests with the annuity provider.

In addition to the annuity purchase placements, the Company offered eligible terminated, vested pension plan participants as well as eligible active employee pension plan participants who have reached the age of 59.5 years old, an option to elect a one-time voluntary lump sum window distribution equal to the present value of the participant's pension benefit, in settlement of all future pension benefits to which they would otherwise have been entitled. Payments were distributed to participants who accepted the lump sum offer in December 2024 from the assets of the Pension Plan. The Company paid out benefits, via lump sum distribution, of approximately 248 terminated vested and eligible active participants resulting in a reduction in the pension liability of $21.6 million.

The annuity purchases and lump sum distributions were made to reduce the Company's exposure to future pension funding volatility. The settlement related to the annuity purchases and lump sum distributions resulted in a total decrease in the Company's pension liability by $120.3 million. The Company recognized a gain on settlement of

$2.7 million in the fourth quarter of 2024. The gain was actuarially determined based on the acceleration of the recognition of the accumulated unrecognized actuarial gain associated with the Pension Plan. The settlement was recorded under the provisions of ASC 715-30, *Compensation—Retirement Benefits—Defined Benefit Plans*, and is included in the Company's pension income for the period.

The remaining pension liability after the settlement is $114.9 million, and the Company continues to manage the pension plan's remaining obligations in accordance with its funding policy.

The Company's funding policy is to contribute funds to an account maintained by the pension plan trustee, as necessary, to provide for the normal cost and amortization of the unfunded actuarial accrued liability. To the extent that these costs are fully covered by assets in the trust, a contribution might not be made in a particular year.

Assets held in the Plan are primarily government and government agency obligations, common stock, corporate bonds, mutual funds, and money market accounts. Certain executives also participate in a supplemental pension plan (the CERP) that the Company funds only as retirement benefits are disbursed. The CERP carries no segregated assets.

Benefit obligations of the CERP are shown in the table immediately below. In all other tables presented, the pension plan and the CERP are presented on a combined basis, even though the CERP is unfunded.

(in thousands)		**2024**	**2023**
Projected benefit obligation	$	15,216	16,013
Cumulative contributions in excess of net periodic benefit cost		17,862	18,441

The following items are components of net pension cost for the years ended December 31, 2024 and 2023:

(in thousands)		**2024**	**2023**
Interest cost on projected benefit obligation	$	11,623	13,366
Expected return on plan assets		(10,431)	(11,386)
Amortization of net (gain) loss		(55)	(56)
Settlement gain recognized		(2,736)	—
Net periodic pension cost	$	(1,599)	1,924

The following table sets forth the pension plans' funded status, using valuation dates of December 31, 2024 and 2023:

(in thousands)		2024	2023
Change in projected benefit obligation:			
Projected benefit obligation at prior valuation date	$	248,480	247,770
Interest cost		11,623	13,366
Plan settlements		(120,303)	—
Benefits paid		(14,273)	(15,535)
Actuarial (gain) loss		(10,627)	2,879
Other		—	—
Projected benefit obligation at valuation date		114,900	248,480
Change in plan assets:			
Fair value of plan assets at beginning of year		255,854	246,685
Actual return (loss) on plan assets		26,307	23,119
Employer contributions		1,363	1,585
Plan settlements		(120,303)	—
Benefits paid		(14,273)	(15,535)
Other		—	—
Fair value of plan assets at end of year		148,948	255,854
Funded status and net amount recognized at December 31	$	34,048	7,374

Amounts recognized on the December 31 balance sheet are as follows:

(in thousands)		2024	2023
Prepaid pension asset	$	44,473	42,091
Accrued benefit liability		(10,425)	(34,717)
Net amount recognized at December 31	$	34,048	7,374

Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive loss, on a pretax basis, at December 31, 2024 are as follows:

(in thousands)		
Accumulated other comprehensive income, pretax	$	7,434
Cumulative employer contributions in excess of net periodic benefit cost		26,614
Net amount recognized on the December 31, 2024 balance sheet	$	34,048

The following weighted average assumptions have been used at December 31, 2024 and 2023:

	2024	2023
Determination of benefit obligation at year-end:		
Discount rate	5.70%	5.50%
Determination of net periodic benefit cost for the year ended:		
Discount rate	5.50%	5.55%
Expected long-term rate of return on Plan assets	4.50%	4.50%

The expected return on pension plan assets is developed using inflation expectations and risk factors to arrive at a long-term nominal expected return for each asset class. The nominal expected return for each asset class is then weighted based on the target asset allocation to develop the expected long-term rate of return on plan assets.

The following table shows the Company's employer contributions and benefits paid for the years ended December 31, 2024 and 2023:

(in thousands)	2024	2023
Employer contributions	$ 1,363	1,585
Benefits paid	14,273	15,535

The weighted average asset allocations as of December 31, 2024 and 2023, by asset category, are as follows:

	Plan assets as of December 31,	
	2024	2023
Equity securities	50 %	36 %
Fixed income	49	61
Cash and equivalents	1	3
Total	100 %	100 %

The Plan's Investment Policy focuses on efficient allocation of capital among various asset classes to create a diversified portfolio in order to achieve the Plan's investment return objective of 4.5%. In making capital allocation decisions, the Trustee considers the expected return, standard deviation, and correlation of returns of various asset classes, as well as the current term structure of interest rates and current market conditions. In order to generate sufficient returns to meet actuarial estimates of the Plan's future obligations, the majority of the Plan's assets are typically invested in asset classes with higher expected rates of return, specifically equity securities. In order to limit risk, a lesser allocation is made to fixed income securities. Within strict policy ranges, the Trustee has discretion to increase or decrease the equity and fixed income allocations in response to changing market conditions. The Plan allocates a small percentage to real assets in the form of precious metals trusts.

The following benefit payments are expected to be paid:

Year:	*(in thousands)*
2025	$ 6,147
2026	6,533
2027	6,826
2028	7,080
2029	7,263
2030 – 2034	38,913

Following is a description of the valuation methodologies used for assets measured at fair value in the Plan:

Cash equivalents – Money market funds are valued at the closing price reported on the active market on which the funds are traded.

U.S. government and agency obligations – Federal agencies are priced utilizing industry-standard models that consider various assumptions, including time value, yield curves, 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 these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

Corporate bonds - Corporate securities are valued using a type of matrix, or grid, pricing in which securities are benchmarked against the treasury rate based on credit rating. These model and matrix measurements are classified as Level 2 in the fair value hierarchy.

Mutual funds and common stocks – The fair value of these investments is based on quoted market prices from national securities exchanges.

The following table sets forth by level, within the fair value hierarchy, the pension plan's assets at fair value as of December 31, 2024:

		Fair value measurements at report date using		
(in thousands)	**December 31, 2024**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other unobservable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Cash equivalents	$ 1,940	1,940	—	—
U.S. government and agency obligations	16,250	—	16,250	—
Common stocks	40,542	40,542	—	—
Corporate bonds	18,385	—	18,385	—
Mutual funds - fixed income	36,958	36,958	—	—
Mutual funds - equities	34,873	34,873	—	—
Total	$ 148,948	114,313	34,635	—

The following table sets forth by level, within the fair value hierarchy, the pension plan's assets at fair value as of December 31, 2023:

		Fair value measurements at report date using		
(in thousands)	**December 31, 2023**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other unobservable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Cash equivalents	$ 6,875	6,875	—	—
U.S. government and agency obligations	72,238	19,469	52,769	—
Common stocks	42,428	42,428	—	—
Corporate bonds	17,779	—	17,779	—
Mutual funds - fixed income	65,976	65,976	—	—
Mutual funds - equities	50,558	50,558	—	—
Total	$ 255,854	185,306	70,548	—

The Company has established a Voluntary Employees Beneficiary Association Trust (VEBA) to fund the employee benefit plan covering medical and dental benefits. For the years ended December 31, 2024 and 2023, the Company contributed $16.4 million and $14.9 million, respectively, to the VEBA.

The Company has established an employee savings plan under Section 401(k) of the Internal Revenue Code (the Code). Under this plan, employees are allowed to contribute a maximum of 75% of their base pay, subject to certain IRS limitations. The Company's matching contribution is equal to one-half of the employee's contribution up to a maximum of 6% of the employee's base pay. For the years ended December 31, 2024 and 2023, the Company contributed $3.9 million and $4 million, respectively, to the 401(k) plan.

In 2019, with the freezing of the defined benefit pension plan effective December 31, 2018, the Company added to the defined contribution plan two additional benefits. Effective January 1, 2019, a Non-Elective Contribution (NEC) of 4% was given to all employees, except employees drawing a pension. Effective December 1, 2024, the plan was amended to allow any participant electing to commence pension benefits as a result of the special election window from October 3, 2024 to November 15, 2024, to continue to be eligible for the NEC contribution. NEC eligibility has an immediate entry date for employees aged 18 or older. For the years ended December 31, 2024 and 2023, the Company contributed $8.2 million and $7.7 million, respectively, to the 401(k) plan related to this benefit.

Also, in effect as of January 1, 2019, a Supplemental NEC of an additional 4% was given to employees who had been active for ten plus years as of January 1, 2019 and not drawing a pension. This contribution was given for five years ending in 2023. For the years ended December 31, 2024 and 2023, the Company expensed $0 and $2.4 million, respectively, related to the 4% contribution for ten year plus employees.

The Company maintains deferred compensation plans. The liability for the plans, aggregating $35.7 million and $37.8 million at December 31, 2024 and 2023, respectively, is recorded in other liabilities in the accompanying consolidated balance sheets. Total expenses under these arrangements, included in salaries and employee benefits, were $3.4 million and $2.2 million for the years ended December 31, 2024 and 2023, respectively.

(11) Stock-Based Compensation

The Company provides stock-based compensation to key employees in the form of restricted stock awards (RSAs) and stock-based performance bonuses. The Company's restricted stock plan is designed to attract, retain, and reward employees while aligning the interest of the employees with the success of the Company. Awards are determined by the Company's Human Resources Committee of the Board of Directors. At December 31, 2024, 42,229 shares of Class B common stock remained available for issuance under the plan.

Restricted stock awards represent a grant of shares of common stock that vests over a specified period, subject to the satisfaction of service conditions. The vesting period for RSAs awarded by the Company is generally 3 or 5 years, but vesting terms may vary in accordance with the specific provisions of the individual award agreements. There are restrictions as to the transferability, sale, pledging, or assigning, among others, prior to the vesting period. Dividend rights are received upon grant of the restricted stock awards but are paid upon vesting.

The fair value of RSAs is determined based on the weighted average selling price of the Company's Class B common stock during a specified period that is within 30 days before or 30 days after the applicable determination date, as determined by the Board of Directors in its sole discretion. Compensation expense is recognized over the vesting period of the awards, based on the fair value at grant date.

The following represents a summary of changes in the Company's nonvested restricted stock shares as of December 31, 2024.

	Shares		Weighted Average Grant Date Fair Value
Nonvested at January 1, 2023	1,766	$	599.55
Granted	4,808		657.13
Vested	685		596.50
Forfeited	-		-
Nonvested at December 31, 2023	5,889	$	646.91
Granted	5,919		653.89
Vested	1,835		634.51
Forfeited	44		655.29
Nonvested at December 31, 2024	**9,929**	**$**	**653.33**

The Company also awards stock bonuses to specified employees. Stock bonuses are granted at the discretion of the Company's Board of Directors. The fair value of stock bonuses is recognized as compensation expense on the date the award is granted as these shares are unrestricted and not subject to a future service requirement.

For the years ended December 31, 2024 and 2023, the total stock-based compensation expense recognized for restricted stock awards and stock bonuses was $3.5 million and $2 million, respectively. This expense is calculated on the graded vesting method and is included in salaries and employee benefits. The fair value of restricted shares vested totaled $1.2 million and $450 thousand during the years ended December 31, 2024 and 2023, respectively. The unrecognized compensation cost of nonvested restricted stock totaled $3.1 million at December 31, 2024. The Company expects to recognize compensation expense of $1.7 million in 2025, $874 thousand in 2026, $412 thousand in 2027, $151 thousand in 2028, and $19 thousand in 2029 on the nonvested shares of restricted stock.

(12) Earnings Per Share

The Company, with its two classes of common stock, applies the two-class method of computing income per share. The two-class method requires the calculation of separate income per share amounts for the nonvested share-based awards and for common stock. The income per share attributable to common stock is shown in the following table.

Nonvested share-based awards vest subject to the satisfaction of services conditions and are subject to forfeiture until such service conditions are met. The nonvested share-based awards are not considered securities which participate in undistributed earnings with common stock. However, dividends or dividend equivalents actually declared or paid and charged to retained earnings for unvested awards with forfeitable rights to dividends reduces income available to common shareholders as these amounts reflect dividends that have been allocated to other-than-common-stockholders and reduce the amount available for distribution to the common stockholders.

Basic income per share is based on the weighted average number of common shares outstanding during the year. Diluted income per share gives effect to all dilutive potential common shares that were outstanding during the year. Since the nonvested share-based awards are subject to forfeiture, the shares are excluded from both the basic and diluted income per share computation. Presented below is a summary of the components used to calculate basic and diluted income per common share

(In thousands, except per share data)		2024	2023
Basic income per share:			
Net income attributable to Central Bancompany, Inc.	$	305,810	273,693
Less: Dividends declared on forfeitable nonvested restricted stock		120	610
Net income allocated to common stock	$	305,690	273,083
Weighted average common shares outstanding		4,412	4,414
Basic income per common share	$	69.29	61.87
Diluted income per common share:			
Net income attributable to Central Bancompany, Inc.	$	305,810	273,693
Less: Dividends declared on forfeitable nonvested restricted stock		120	610
Net income allocated to common stock	$	305,690	273,083
Weighted average diluted common shares outstanding		4,412	4,414
Diluted income per common share:	$	69.29	61.87

The Company is permitted, by authorization of the Board of Directors, to repurchase shares of the Company's common stock. The most recent authorization in June 2023 approved purchases until June 30, 2025, for a purchase price of not more than $25 million in aggregate. As of December 31, 2024, there was $12 million remaining under such authorization.

The table below shows activity in the outstanding shares of the Company's common stock during the years ended December 31, 2024 and 2023.

(in thousands)	2024	2023
Shares outstanding at January 1	4,419	4,415
Issuance of stock-based compensation	6	5
Purchases of treasury stock	(18)	(1)
Shares outstanding at December 31	**4,408**	**4,419**

(13) Capital Adequacy

Quantitative measures established by regulation to ensure capital adequacy require banks to maintain minimum amounts and ratios (set forth in the table below on a consolidated basis, amounts in thousands) of total and Tier 1 capital (as defined in the regulations) to risk-weighted assets, and of Tier 1 capital to average assets. At December 31, 2024, the Company met all capital requirements to which it is subject, and the Bank's capital position exceeded the regulatory definition of well-capitalized.

The Basel III minimum required ratios for well-capitalized banks (under prompt corrective action provisions) are 6.5% for Tier I common capital, 8.0% for Tier I capital, 10.0% for Total capital and 5.0% for the leverage ratio.

A summary of the Company's and the Bank's capital ratios at December 31, 2024 and 2023 is as follows:

	Actual		Minimum capital adequacy requirement		Well-capitalized requirement	
(in thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2024:						
Total risk-based capital (to risk-weighted assets):						
Company	$ 3,083,839	24.88%	$ 991,777	8.00%	$ —	—%
Central Trust Bank	1,706,617	13.81	1,028,943	8.00	1,286,179	10.00
Tier 1 capital (to risk-weighted assets):						
Company	2,929,055	23.63	743,833	6.00	—	—
Central Trust Bank	1,551,833	12.56	771,707	6.00	1,028,943	8.00
Tier 1 common equity capital (to risk-weighted assets):						
Company	2,929,055	23.63	557,875	4.50	—	—
Central Trust Bank	1,551,833	12.56	578,781	4.50	836,016	6.50
Tier 1 capital (to average assets):						
Company	2,929,055	15.69	746,578	4.00	—	—
Central Trust Bank	1,551,833	8.33	745,433	4.00	931,792	5.00

	Actual		Minimum capital adequacy requirement		Well-capitalized requirement	
(in thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2023:						
Total risk-based capital (to risk-weighted assets):						
Company	$ 2,836,024	22.75%	$ 997,385	8.00%	$ —	—%
Central Trust Bank	1,677,031	13.48	994,909	8.00	1,243,636	10.00
Tier 1 capital (to risk-weighted assets):						
Company	2,680,621	21.50	748,039	6.00	—	—
Central Trust Bank	1,521,628	12.24	746,182	6.00	994,909	8.00
Tier 1 common equity capital (to risk-weighted assets):						
Company	2,680,621	21.50	561,029	4.50	—	—
Central Trust Bank	1,521,628	12.24	559,636	4.50	808,363	6.50
Tier 1 capital (to average assets):						
Company	2,680,621	14.36	746,740	4.00	—	—
Central Trust Bank	1,521,628	8.16	746,013	4.00	932,516	5.00

(14) Leasing

Leases are recorded at market values at the inception of the lease and may contain escalations based on indexes tied to the consumer price index or other factors for an increase in the amount of the lease payment. Escalators are included in valuing of right to use assets under certain conditions. Lease value cash flows are discounted to present value in recording the right to use asset based on Federal Home Loan Bank advance rates. The Company has made the election not to separate lease and non-lease components for existing real estate leases when determining consideration within the lease contract. All the Company's lease agreements are classified as operating leases under ASC 842.

As of December 31, 2024 and 2023, the Company's assets included right to use assets for operating leases that had a weighted average lease term remaining of 25.1 years and 25.1 years and a weighted average discount rate of 3.8% and 3.8%, respectively. The Company's assets also included right to use assets for finance leases in 2024 and 2023 that had a weighted average lease term remaining of 2.1 years and 3.1 years and weighted average discount rate of 1.49% and 1.49%, respectively.

Operating lease cost recorded in net occupancy amounted to $3.6 million and $3.6 million in 2024 and 2023, respectively. Operating cash flows from operating leases were $3.6 million and $3.3 million in 2024 and 2023, respectively. As of December 31, 2024 and 2023, the right to use assets, reported within premises and equipment, net, totaled $30.2 million and $32.2 million respectively. The lease liability, reported within other liabilities, recognized on the financial statements as of December 31, 2024 and 2023 totaled $31.5 million and $33.5 million, respectively.

As of December 31, 2024, undiscounted operating lease liabilities are scheduled to mature as follows:

Year:	*(in thousands)*
2024	$ 3,314
2025	2,994
2026	2,611
2027	2,353
2028	2,182
Thereafter	36,359

Operating expense and short-term lease costs totaled $3.8 million and $3.8 million in 2024 and 2023, respectively. Amortization of right to use assets charged to operating expense was approximately $2.4 million and $2.4 million in 2024 and 2023, respectively, and is included in net occupancy and equipment expense on the consolidated statements of income.

(15) Commitments, Contingencies, and Guarantees

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

The Company has outstanding commitments to provide loans to, and letters of credit on behalf of customers. Loan 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.

Letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as is involved in extending loan facilities to customers.

In addition, the Company may enter into interest rate swap risk participation agreements when certain clients are engaged in interest rate hedging activities in a syndicated loan or a loan in which we are a participant. This is represented as Credit Derivatives in the table below and is the only Credit Derivative activity in which the Company currently participates. Under these agreements, the Company assumes a portion of the counterparty credit risk associated with a client's interest rate swap transaction with a third-party financial institution, for which the Company receives a fee. If the client fails to meet its payment obligations under the swap, the Company may be required to fulfill those obligations up to its participation level.

The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary, by the Company upon extension of credit is based on management's credit evaluation of the customer. Collateral held varies, but may include accounts receivable, inventory, property, plant, equipment, and income-producing commercial properties. The Company's banking markets are located within the states of Missouri, Kansas, Illinois, Iowa, Oklahoma, Colorado, North Carolina, Tennessee, Florida, and Arkansas and the Company's loan portfolio has no unusual geographic concentrations of credit risk beyond its market areas.

Such commitments and conditional obligations were as follows as of the dates presented.

		Contractual Amount	
(in thousands)		**12/31/24**	**12/31/23**
Off-balance sheet commitments			
Loan commitments	$	2,910,550	3,163,854
Standby letters of credit		87,979	87,605
Commercial letters of credit		1,089	5,719
Credit derivatives		14,720	16,720

The Company and its subsidiaries are defendants in various claims, legal actions, and complaints arising in the ordinary course of business. The Company records losses when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changes in circumstances. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, any amounts accrued may not represent the ultimate loss to the Company from legal proceedings.

(16) Fair Value Disclosures

Fair Value Hierarchy

The Company uses fair value measurements to record fair value adjustments to certain financial and nonfinancial assets and liabilities and to determine fair value disclosures. Various financial instruments such as AFS and trading securities are recorded at fair value on a recurring basis. Additionally, from time to time, the Company may be required to record at fair value other assets and liabilities on a nonrecurring basis, such as loans, loans held for sale, mortgage servicing rights, and certain other investment securities. These nonrecurring fair value adjustments typically involve lower of cost or market accounting or write-downs of individual assets.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, the Company uses various valuation techniques and assumptions when estimating fair value, which are in accordance with ASC 820. ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liabilities, either directly or indirectly (such as interest rates, yield curves, and prepayment speeds).
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value. These may be internally developed, using the Company's best information and assumptions that a market participant would consider.

When determining the fair value measurements for assets and liabilities required or permitted to be recorded or disclosed at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability. When possible, the Company looks to active and observable markets to price identical assets or liabilities. When identical assets and liabilities are not traded in active markets, the Company looks to market observable data for similar assets and liabilities.

Valuation Methods for Instruments Measured at Fair Value on a Recurring Basis

The following table presents assets and liabilities measured at fair value on a recurring basis (including items that are required to be measured at fair value) at December 31, 2024 and 2023.

(in thousands)		Fair Value December 31, 2024	Fair value measurements at report date using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:					
Loans held for sale	$	34,264	—	34,264	—
Available-for-sale investment securities:					
U.S. government obligations and government-sponsored enterprises		5,553,593	1,269,553	4,284,040	—
Obligations of states and political subdivisions		21,141	—	21,141	—
Other securities		28,989	614	28,375	—
Equity investments		48,770	724	36,765	11,281
Trading		666		666	
Derivatives *		10,312	—	10,312	—
Total assets	$	5,697,735	1,270,891	4,415,563	11,281
Liabilities:					
Derivatives *	$	8,842	—	8,842	—
Total liabilities	$	8,842	—	8,842	—

* The fair value of each class of derivative is shown in Note 18.

(in thousands)		Fair Value December 31, 2023	Fair value measurements at report date using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:					
Loans held for sale	$	35,442	—	35,442	—
Available-for-sale investment securities:					
U.S. government obligations and government-sponsored enterprises		4,958,624	1,549,312	3,409,312	—
Obligations of states and political subdivisions		34,537	—	34,537	—
Other securities		36,144	812	35,332	—
Equity investments		50,246	2,213	36,886	11,147
Derivatives *		10,178	—	10,178	—
Total assets	$	5,125,171	1,552,337	3,561,687	11,147
Liabilities:					
Derivatives *	$	9,125	—	9,125	—
Total liabilities	$	9,125	—	9,125	—

* The fair value of each class of derivative is shown in Note 18.

Following is a description of the Company's valuation methodologies used for instruments measured at fair value on a recurring basis:

Securities

Securities are identified as trading, available-for-sale, or held-to-maturity at the time of purchase based on the intent of management.

Trading securities are carried at fair value with unrealized gains and losses included in current period earnings.

AFS securities are accounted for in accordance with ASC 320 and are carried at fair value. Unrealized gains and losses are recorded, net of deferred income taxes, as accumulated other comprehensive income (loss) in shareholders' equity. AFS securities are separately identified as pledged to creditors if the creditor has the right to sell or re-pledge the collateral. This portfolio comprises the majority of the assets the Company records at fair value.

The fair value of our securities, which consist primarily of obligations of the U.S. government and government sponsored enterprises (GSEs), is generally based on instrument-level pricing provided to us by a third-party pricing service which utilizes a combination of market quotations in an active market where available, and industry-standard models that consider various assumptions, including time value, yield curves, 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 these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

We periodically evaluate the pricing supplied by third-party pricing services by comparing the provided pricing with other sources including, but not limited to, recent transactions in similar instruments, dealer quotes and modeled values using various observable market inputs. Based on the results of such evaluations, management may adjust prices obtained from third-party pricing services to more appropriately reflect its estimate of prices that could be realized in orderly transactions in the current market.

The various portions of the estimated fair value of the Company's equity securities are based on several inputs. Where quoted prices are available in an active market, the measurements are classified as Level 1. Equity securities which are infrequently traded or restricted, such as equity interests in the Federal Reserve and Federal Home Loan Bank, are classified as Level 2. The fair value of equity securities based on unobservable inputs and estimates are classified as Level 3.

Loans Held for Sale

Loans held for sale are carried at fair value. The portfolio consists primarily of residential real estate loans that are originated with the intent to sell. The Company contracts to sell the loans to FHLMC, FNMA, and other private investors. Fair value measurements on these loans held for sale are based on quoted market prices for similar loans in the secondary market and are classified as Level 2. No write-down was necessary at December 31, 2024 and 2023.

Derivatives

The Company's derivative instruments include interest rate swaps, interest rate lock commitments (IRLC) and to-be-announced (TBA) contracts for hedging our mortgage loan pipeline. Valuations for interest rate swaps are derived from a proprietary model whose significant inputs are readily observable market parameters, primarily yield curves used to calculate current exposure. The results of the model are constantly validated through comparison to active trading in the marketplace. The fair value measurements of interest rate swaps and floors are classified as Level 2 due to the observable nature of the significant inputs utilized. Derivatives relating to residential mortgage loan sale activity include commitments to originate mortgage loans held for sale, forward loan sale contracts, and forward commitments to sell TBA securities. The fair values of loan commitments and sale contracts are estimated using quoted market prices for loans similar to the underlying loans in these instruments. The valuations of loan commitments are further adjusted to include embedded servicing value and the probability of funding. These assumptions are considered Level 2 inputs and are significant to the loan commitment valuation; accordingly, the measurement of loan commitments is classified as Level 2. The fair value measurement of TBA contracts is based on security prices published on trading platforms and is classified as Level 2.

Valuation Methods for Instruments Measured at Fair Value on a Nonrecurring Basis

The following table presents assets measured at fair value on a nonrecurring basis (including items that are required to be measured at fair value) at December 31, 2024 and 2023.

		Fair value measurements at report date using		
(in thousands)	Fair Value December 31, 2024	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Collateral dependent loans	$ 15,376	—	—	15,376
Mortgage servicing rights	60,339	—	—	60,339
Total assets	$ 75,715	—	—	75,715

		Fair value measurements at report date using		
(in thousands)	Fair Value December 31, 2023	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Collateral dependent loans	$ 7,863	—	—	7,863
Mortgage servicing rights	60,888	—	—	60,888
Total assets	$ 68,751	—	—	68,751

Following is a description of the Company's valuation methodologies used for other financial instruments measured at fair value on a nonrecurring basis:

Mortgage Servicing Rights

The Company initially measures its mortgage servicing rights at fair value and amortizes them over the period of estimated net servicing income. They are periodically assessed for impairment based on fair value at the reporting date. Mortgage servicing rights do not trade in an active market with readily observable prices. Accordingly, the fair value is estimated based on a valuation model, which calculates the present value of estimated future net servicing income. The model incorporates assumptions that market participants use in estimating future net servicing income, including estimates of prepayment speeds, market discount rates, cost to service, float earnings rates, and other ancillary income, including late fees. The fair value measurements are classified as Level 3. There was no valuation adjustment recorded on the mortgage servicing rights at December 31, 2024.

Collateral Dependent Loans

While the overall portfolio is not carried at fair value, adjustments are recorded on certain loans to reflect partial write-downs that are based on the value of the underlying collateral. Nonrecurring adjustments also include certain impairment amounts for collateral dependent loans when establishing the allowance for credit losses on loans. In determining the value of real estate collateral, the Company relies on external appraisals and assessment of property values by its internal staff. In the case of non-real estate collateral, reliance is placed on a variety of sources, including external estimates of value and judgments based on the experience and expertise of internal specialists. Because many of these inputs are not observable, the measurements are classified as Level 3.

Foreclosed Assets

Foreclosed assets consist of loan collateral, which has been repossessed through foreclosure. This collateral is comprised of commercial and residential real estate and other non-real estate property. Foreclosed assets are recorded as held for sale initially at the lower of the loan balance or fair value of the collateral less estimated selling costs. After foreclosure, valuations are updated periodically, and the assets may be marked down further, reflecting a new cost basis. Fair value measurements may be based upon appraisals, third-party price opinions, or internally developed pricing methods. These measurements are classified as Level 3.

Fair Value of Financial Instruments

The carrying amounts and estimated fair values of financial instruments held by the Company, in addition to a discussion of the methods used and assumptions made in computing the estimates, are set forth below.

Cash and Due from Banks, Short-term Interest-Bearing Deposits, Federal Funds Sold and Securities Purchased Under Agreement to Resell, and Accrued Interest Receivable

The carrying amounts for cash and due from banks, short-term interest-bearing deposits, and federal funds sold, and securities purchased under agreements to resell, and accrued interest receivable approximate fair value because they mature in 90 days or less and do not present unanticipated credit concerns.

Time Deposits

The fair value of time deposits is based on the discounted value of cash flows. Discount rates are based on the Company's approximate cost of obtaining similar maturity funding in the market. Their fair value measurement is classified as Level 3.

Held-to-Maturity Securities

The fair value of our HTM investment securities is generally based on instrument-level pricing provided to us by a third-party pricing service which utilizes a combination of market quotations in an active market where available, and industry standard models that consider various assumptions, including time value, yield curves, 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 these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

We periodically evaluate the pricing supplied by third-party pricing services by comparing the provided pricing with other sources including, but not limited to, recent transactions in similar instruments, dealer quotes and modeled values using various observable market inputs. Based on the results of such evaluations, management may adjust prices obtained from third-party pricing services to more appropriately reflect its estimate of prices that could be realized in orderly transactions in the current market.

Loans

The estimated fair value of the Company's loan portfolio is based on the segregation of loans by type – commercial, residential mortgage, and consumer. Each loan category is further segmented into fixed and adjustable-rate interest categories. In estimating the fair value of each category of loan, the carrying amount of the loan is reduced by an allocation of the allowance for loan losses. Such allocation is based on management's loan classification system, which is designed to measure the credit risk inherent in each classification category.

The estimated fair value for variable rate loans is the carrying value of such loans, reduced by an allocation of the allowance for credit losses based on management's loan classification system.

The estimated fair value of fixed-rate loans is calculated by discounting the scheduled cash flows for each loan category – commercial, residential real estate, and consumer. The cash flows through maturity for each category of fixed-rate loans are aggregated for the Company. Prepayment estimates for residential real estate and installment consumer loans are based on estimates for similar instruments in the secondary market with similar maturity schedules and interest rates. Discount rates used for each loan category of fixed rate loans represent rates the Company believes are reflective of what the Company could sell loans for based on market conditions and the Company's assessment of credit quality.

Deposits

The fair value of deposits with no stated maturity is equal to the amount payable on demand. Such deposits include savings and interest and non-interest-bearing demand deposits. The fair value of demand deposits does not include the benefit that results from the low-cost funding provided by deposit liabilities compared to the cost of borrowing funds in the market. Because they are payable on demand, they are classified as Level 1 in the fair value hierarchy. The fair value of time deposits is based on the discounted value of cash flows. Discount rates are based on the Company's approximate cost of obtaining similar maturity funding in the market. Their fair value measurement is classified as Level 3.

Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

The estimated fair value of federal funds purchased and securities sold under agreements to repurchase approximate their carrying values because of the short-term nature of these borrowings.

Accrued Interest Payable

The estimated fair value of accrued interest payable approximates the carrying value because of the short-term nature of the liability.

The estimated fair values of the Company's financial instruments are as follows:

	December 31, 2024			
	Carrying	**Estimated Fair Value**		
(in thousands)	**amount**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 1,234,625	1,234,625	—	—
Time deposits	699	—	—	699
Federal funds sold and securities purchased under agreements to resell	7,183	7,183	—	—
Investment securities				
Available for sale	5,603,723	1,270,167	4,333,556	—
Held to maturity	3,225	—	2,554	677
Equity	48,770	724	36,765	11,281
Trading	666		666	
Loans				
Construction and development	846,497	—	—	845,327
Commercial non-real estate	1,850,992	—	—	1,852,650
Multifamily residential real estate	817,403	—	—	798,336
Non-owner-occupied commercial real estate	2,345,722	—	—	2,309,045
Owner-occupied commercial real estate	1,563,015	—	—	1,535,407
Commercial real estate	4,726,141	—	—	4,642,788
Home equity lines of credit	344,640	—	—	343,842
All other residential real estate	2,752,799	—	—	2,652,339
Residential real estate	3,097,439	—	—	2,996,182
Consumer credit card	85,526	—	—	91,366
All other consumer	863,217	—	—	855,080
Consumer	948,743	—	—	946,446
Total Loans	$ 11,469,812	—	—	11,283,393
Loans held for sale	$ 34,264	—	34,264	—
Derivatives	10,312	—	10,312	—

(in thousands)	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
	December 31, 2023			
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 1,680,963	1,680,963	—	—
Time deposits	1,188	—	—	1,187
Federal funds sold and securities purchased under agreements to resell	3,665	3,665	—	—
Investment securities				
Available for sale	5,029,305	1,550,124	3,479,181	—
Held to maturity	4,059	—	3,361	673
Equity	50,246	2,213	36,886	11,147
Loans				
Construction and development	963,043	—	—	953,554
Commercial non-real estate	1,885,081	—	—	1,869,694
Multifamily residential real estate	885,787	—	—	858,803
Non-owner-occupied commercial real estate	2,169,300	—	—	2,110,258
Owner-occupied commercial real estate	1,547,213	—	—	1,499,571
Commercial real estate	4,602,300	—	—	4,468,632
Home equity lines of credit	302,228	—	—	301,221
All other residential real estate	2,437,911	—	—	2,264,727
Residential real estate	2,740,139	—	—	2,565,949
Consumer credit card	81,653	—	—	87,243
All other consumer	1,058,264	—	—	1,039,799
Consumer	1,139,917	—	—	1,127,042
Total Loans	$ 11,330,479	—	—	10,984,871
Loans held for sale	$ 35,442	—	35,442	—
Derivatives	10,178	—	10,178	—

(in thousands)	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
	December 31, 2024			
Financial Liabilities				
Noninterest-bearing demand	$ 5,245,705	5,245,705	—	—
Savings and interest-bearing demand	8,043,244	8,043,244	—	—
Time deposits	1,696,899	—	—	1,685,000
Total deposits	$ 14,985,848	13,288,949	—	1,685,000
Federal funds purchased and customer repurchase agreements	$ 1,007,295	1,007,295	—	—
Accrued interest payable	10,291	10,291	—	—
Derivatives	8,842	—	8,842	—

(in thousands)	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
	December 31, 2023			
Financial Liabilities				
Noninterest-bearing demand	$ 5,378,324	5,378,324	—	—
Savings and interest-bearing demand	7,943,456	7,943,456	—	—
Time deposits	1,547,730	—	—	1,529,269
Total deposits	$ 14,869,510	13,321,780	—	1,529,269
Federal funds purchased and customer repurchase agreements	$ 1,226,167	1,226,167	—	—
Accrued interest payable	8,701	8,701	—	—
Derivatives	9,125	—	9,125	—

Limitations

Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instruments. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular 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 loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective, involve uncertainties and cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(17) Accumulated Other Comprehensive Loss

The table below shows the activity and accumulated balances of components of other comprehensive loss.

(in thousands)	Unrealized Gains/Losses on AFS Securities	Pension Plan	Total
Balance December 31, 2022	$ (377,815)	(19,098)	(396,913)
Other comprehensive income (loss) before reclassifications	141,040	8,799	149,839
Reclassification adjustment for net losses on AFS securities included in net income	19,964	—	19,964
Current period other comprehensive income (loss), before tax	161,004	8,799	169,803
Income tax (expense) benefit	(38,384)	(2,098)	(40,482)
Current period other comprehensive income (loss), net of tax	122,620	6,701	129,321
Balance December 31, 2023	(255,195)	(12,397)	(267,592)
Other comprehensive income (loss) before reclassifications	92,666	23,714	116,380
Reclassification adjustment for net losses on AFS securities included in net income	51,249	—	51,249
Current period other comprehensive income (loss), before tax	143,915	23,714	167,629
Income tax (expense) benefit	(34,309)	(5,653)	(39,962)
Current period other comprehensive income (loss), net of tax	109,606	18,061	127,667
Balance December 31, 2024	$ (145,589)	5,664	(139,925)

(18) Derivative Instruments

The Company's mortgage banking originates mortgage loans (interest rate locks) to be sold into the secondary market. The Company does not enter into a commitment to sell these loans at the time of the interest rate lock but instead enters into an agreement to sell the loan(s) after funding. The Company enters into free-standing derivatives to protect against movement in interest rates once the loan commitment is entered into. These derivatives are in the form of commitments to sell to-be-announced (TBA) securities which move in value in the opposite direction of the fixed rate loan commitments thereby economically hedging the Company from movement in interest rates during the period from the interest rate lock to the date the loan is sold into the secondary market.

As of December 31, 2024 and 2023, the amounts reflected in the Company's balance sheet in assets and liabilities for the value of the interest rate lock commitments, funded loans held for sale, and the corresponding commitments to sell the TBA securities were as follows:

(in thousands)		Notional Value 12/31/2024	Market Value 12/31/2024	Notional Value 12/31/2023	Market Value 12/31/2023
Interest Rate Lock Commitments	$	47,875	366	43,428	736
Loans Closed - Market Value Loans Held for Sale		34,791	946	24,655	981
TBA Derivative Value		61,000	245	59,500	(586)

The market value of the loan commitment pipeline is net of expenses.

The Company maintains an overall interest rate risk management strategy that permits the use of derivative instruments to modify exposure to interest rate risk. The Company's interest rate risk management strategy includes the ability to modify the repricing characteristics of certain assets and liabilities to help reduce the risk that changes in interest rates adversely affect the net interest margin and cash flows. Interest rate swaps may be used on a limited basis as part of this strategy. The Company also sells interest rate swap contracts to customers who wish to modify their interest rate sensitivity. The Company offsets the interest rate risk of these swaps by purchasing matching contracts with offsetting pay/receive rates from other financial institutions. The Company's "Back-to-Back" swaps are accounted for as free-standing derivatives, and changes in their fair value are recorded in current earnings. These Back-to-Back swap contracts comprised a portion of the Company's swap portfolio at December 31, 2024 and 2023 with total notional amounts of $226.2 million and $206.9 million, respectively.

The Company also employs the use of "Critical Terms" swaps. While this strategy does not directly involve customers of the Bank, Critical Terms are used to swap the interest rate structure of individual loans. By using Critical Terms, the Bank is able to mark-to-market the loan as well. For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in earnings. The Company includes the gain or loss on the hedged items in the same line item as the offsetting loss or gain on the related derivatives. These structures had a notional amount of $11.2 million, with a fair value of $860 thousand and a notional amount of $12.1 million, with a fair value of $904 thousand at December 31, 2024 and 2023, respectively.

(in thousands)		Derivative Assets 12/31/24	Derivative Liabilities 12/31/24	Derivative Assets 12/31/23	Derivative Liabilities 12/31/23
Back to back swaps	$	9,086	9,086	8,539	8,539
Fair value hedges		860	—	904	—

(19) Revenue Recognition

Revenue should be recognized to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue from financial instruments, including revenue from loans and securities, is not included within this guidance. Noninterest revenue items that are subject to this guidance mainly include fees for bank card, trust, deposit account services, and consumer brokerage services and are discussed below and summarized in the table that follows.

Fees for Fiduciary Services

Trust and asset management income is primarily comprised of fees earned from the management and administration of trusts, settlement of estates, and other similar duties where Central Trust Company serves in a fiduciary capacity. The Company's performance obligation is generally satisfied over time and the resulting fees are recognized monthly, based upon the average monthly value of the assets under management and the applicable fee rate or otherwise as negotiated as a fee for service. Other transactional-based services, including but not limited to, tax return preparation and financial planning are available. The performance obligation for these services is generally satisfied, and related revenue recognized, at the completion of the service.

Service Charges and Commissions

Service charges on deposit accounts consist of account analysis fees (i.e., net fees earned on analyzed business and public checking accounts), monthly service fees, check orders, and other deposit account related fees. The Company's performance obligation for account analysis and monthly service fees is generally satisfied, and the related revenue recognized, when the service is provided and received immediately or in the following month.

The Company provides corporate cash management services to its business customers to meet their various transaction processing needs. Such services include deposit and check processing, lockbox, remote deposit, reconciliation, online banking, and other similar transaction processing services. The Company maintains unit prices for each type of service, and the customer is billed based on transaction volumes processed monthly.

Overdraft fees are charged to customers when daily checks and other withdrawals to customers' accounts exceed balances on hand. The daily overdraft charge is calculated and the fee is posted to the customer's account each day.

Other deposit related fees such as check orders, foreign ATM processing fees, stop payment fees, and cashier's checks are largely transactional based, and therefore, the Company's performance obligation is satisfied, and related revenue recognized, when the transaction is processed.

Payment Services Revenue

Fees, exchange, and other service charges are primarily comprised of debit and credit card income, ATM fees, merchant services income, and other service charges. Debit and credit card income is primarily comprised of interchange fees earned whenever the Company's debit and credit cards are processed through card payment networks such as MasterCard. The fees earned are established by the settlement network and are dependent on the type of transaction processed but are typically based on a per unit charge. Interchange income is settled daily through the networks.

Brokerage Services

Consumer brokerage services revenue is comprised of commissions received upon the execution of purchases and sales of mutual fund shares and equity securities, in addition to certain limited insurance products in an agency capacity. Also, fees are earned on managed advisory programs. Payment from the customer is upon settlement for purchases and sales of securities, upon purchase for annuities and insurance products, and upon inception of the service period for advisory programs.

Other Non-Interest Income from Contracts with Customers

Other non-interest income consists of gains on foreclosed assets, bank premises and equipment, official check fees, international currency commissions, and other miscellaneous consumer product fees. Performance obligations for these services consist mainly of the execution of transactions for the sale of various properties. Fees from these revenue sources are recognized when the performance obligation is completed, at which time cash is received by the Company.

(in thousands)		**2024**	**2023**
Service charges and commissions			
Deposit account and other fees	$	52,419	46,804
Other non-ASC 606 revenue		3,718	3,637
	$	56,137	50,441
Payment services revenue			
Bankcard transaction fees	$	67,531	67,414
Brokerage services			
Consumer brokerage service fees	$	25,739	22,433
Fees for fiduciary services			
Fiduciary service fees	$	45,897	40,197
Other income			
Gain on sale of foreclosed assets, bank premises, and equipment	$	4,679	1,189
Other non-ASC 606 revenue		4,988	6,987
	$	9,667	8,176

(20) Parent Company Condensed Financial Statements

Following are the condensed financial statements of Central Bancompany, Inc. (Parent only) for the December 31, 2024 and December 31, 2023.

CENTRAL BANCOMPANY, INC.

Condensed Balance Sheets

December 31, 2024 and 2023

(in thousands)		2024	2023
Assets			
Investment in consolidated subsidiaries:	$		
Bank		1,727,762	1,597,273
Cash and due from banks		312,447	190,287
Available for sale (AFS)		982	5,530
Loans		18,720	12,947
Note receivable due from bank subsidiary		980,000	980,000
Advances to subsidiaries, net of borrowings		75,120	315
Land, buildings, and equipment, net		1,505	1,530
Deferred tax assets, net		5,945	11,742
Other assets		29,435	4,025
Total assets	$	3,151,916	2,803,649
Liabilities and Stockholders' Equity			
Other liabilities		41,255	59,851
Stockholders' equity		3,110,661	2,743,798
Total liabilities and stockholders' equity	$	3,151,916	2,803,649

CENTRAL BANCOMPANY, INC.
Condensed Statements of Income
Years ended December 31, 2024 and 2023

(in thousands)		2024	2023
Income			
Dividends received from consolidated subsidiary	$	245,000	335,000
Earnings of consolidated subsidiaries, net of dividends		20,968	(91,770)
Interest received from consolidated subsidiary		8,720	1,390
Interest income:			
Loans		1,370	964
Note to subsidiaries		52,522	45,887
Investment securities		65	1,289
Management fees charged to subsidiaries		850	3,749
Investment securities losses, net		0	(143)
Other income		464	71
Total income		329,959	296,437
Expense			
Salaries and employee benefits		9,181	9,901
Net occupancy and equipment		263	572
Legal and professional fees		124	631
Management & data processing fees paid to subsidiaries		897	671
Other expenses		1,234	1,429
Total expense		11,699	13,204
Income taxes		12,450	9,540
Net income	$	305,810	273,693

CENTRAL BANCOMPANY, INC.

Condensed Statements of Cash Flows

Years ended December 31, 2024 and 2023

(in thousands)		2024	2023
Cash flows from operating activities:			
Net income	$	305,810	273,694
Adjustments to reconcile net income to net cash provided by operating activities:			
Earnings of consolidated subsidiaries, net of dividends		(20,968)	91,770
Increase in other assets		(17,513)	(5,427)
Net cash provided by operating activities		267,329	360,037
Cash flows from investing activities:			
Proceeds from maturities of available-for-sale securities		4,662	187,719
Purchases of available-for-sale securities		-	(71,014)
Increase in advances to subsidiaries, net		(74,587)	(319,391)
Other, net		(6,226)	(2,862)
Net cash used in investing activities		(76,151)	(205,548)
Cash flows from financing activities:			
Purchase of treasury stock		(12,143)	(959)
Issuance of stock under equity compensation plans		(285)	(305)
Dividends paid		(57,532)	(51,870)
Other, net		942	2,172
Net cash used in financing activities		(69,018)	(50,962)
Net increase in cash and cash equivalents		122,160	103,527
Cash and cash equivalents at beginning of year		190,288	86,761
Cash and cash equivalents at end of year	$	312,448	190,288

Dividends paid by the Parent to its shareholders were substantially provided from Bank dividends. The Bank may distribute dividends without prior regulatory approval, provided that the dividends do not exceed the sum of net income for the current year and retained net income for the preceding two years, subject to maintenance of minimum capital requirements.

At December 31, 2024, the Bank has $980 million of borrowings from the Parent as part of its strategy to manage FDIC insurance premiums. The maturity date of this note extends by 3 months every quarter resulting in an extended maturity date that is never less than 15 months from the last extension. The interest rate is a variable rate equal to the current interest rate on excess reserves, adjusted quarterly.

At December 31, 2024, the fair value of the investment securities held by the Parent consisted of investments of $982 thousand in U.S. agency mortgage backed securities.

Company History

1970 Central Bancompany incorporates as a multi-bank holding company that includes The Central Trust Bank and Jefferson Bank of Missouri, both in Jefferson City, MO

1972 First National Bank of Clayton joins Central Bancompany

1973 Acquired – The Guaranty Trust Company, Clayton, MO

1974 Acquired – Boone County National Bank, Columbia, MO

1977 Acquired – First National Bank of Mexico, Mexico, MO

Deployed first Automated Teller Machine (ATM)

1979 Acquired – City Bank & Trust Company, Moberly, MO

1980 Acquired – Empire Bank, Springfield, MO

1984 Reached **$1 Billion** in Total Assets

1985 The Central Trust Bank acquires Lake National Bank of Tuscumbia, Tuscumbia, MO

1986 Acquired – Bank of the Lake of the Ozarks, Osage Beach, MO

Launched credit card division

1988 Central Bank of Lake of the Ozarks acquires Camden County Bank, Camdenton, MO

Acquired – Ozark Mountain Bank, Branson, MO

1991 Empire Bank acquires Nixa Bank, Nixa, MO

1992 Acquired – Third National Bank of Sedalia, Sedalia, MO

1993 Acquired – First National Bank of Lee's Summit, Lee's Summit, MO

Added our **50th** Location

1994 Boone County National Bank acquires South County Bank, Ashland, MO

FNB of Audrain County acquires Laddonia State Bank, Laddonia, MO

Launched InvestorServices, a full-service brokerage division

1995 FNB of Missouri (previously FNB of Lee's Summit) acquires First State Bank of Buckner, Buckner, MO

Empire Bank acquires Webster County Bank and Pleasant Hope Bank, Springfield, MO

1997 Acquired – Bank of Warrensburg, Warrensburg, MO and renamed First Central Bank

Acquired – Farmers & Traders Bank, California, MO

Boone County National Bank acquires Mercantile Bank of Boonville, Boonville, MO

1998 First Central Bank acquires Bank of Higginsville, Higginsville, MO

FNB of St. Louis (previously FNB of Clayton) acquires Colonial Bank, Des Peres, MO

Launched Internet Banking

1999 Acquired – Bank of Jacomo, Blue Springs, MO

Boone County National Bank acquires State Bank of Hallsville and Sturgeon State Bank, Boone County, MO

The Central Trust Bank acquires Fulton Savings Bank, Fulton, MO

Farmers and Traders Bank, California, MO merges with The Central Trust Bank, Jefferson City, MO

2000 The Central Trust Bank acquires deposits from Union Planters Bank, California, MO

Reached **$5 Billion** in Total Assets

2001 FNB of St. Louis acquires Mid America Bank of St. Clair County, O'Fallon, IL

Expanded into the State of Illinois

Added our **100th** location

2004 Bank of Jacomo collapses into FNB of Missouri

Acquired – Community Bank and Trust Company, Tulsa, OK

First Central Bank acquires Higginsville, MO, branches of Bank Midwest

Expanded into the State of Oklahoma

2007 The Guaranty Trust Company collapses into the Central Trust Company, Jefferson City, MO

Acquired – ONB Bank, Tulsa, OK Community Bank and Trust collapses into ONB Bank

Acquired – Metcalf Bank, Overland Park, KS

Acquired – First Kansas Bank & Trust Company, Gardner, KS

FNB of St. Louis acquires First National Bank of Millstadt, Millstadt, IL

Expanded into the State of Kansas

2008 FNB of Missouri, First Kansas Bank, and Metcalf Bank merge with Metcalf Bank, the surviving name

Empire Bank acquires The Greene County Bank, Strafford, MO

First Central Bank acquires Bank of Holden, Holden, MO

2009 Metcalf Bank acquires, through purchase and assumption agreement, American Sterling Bank, Sugarcreek, MO

2009 Central Trust Company acquires Springfield Trust Company, Springfield, MO

Recognized by *Forbes* as being a TOP TEN bank in America

2010 Empire Bank acquires Citizens National Bank, Springfield, MO

2011 TNB of Sedalia acquires Union Savings Bank, Sedalia, MO

2012 Metcalf Bank acquires, through purchase and assumption agreement, Heartland Bank, Leawood, KS

Reached **$10 Billion** in Total Assets

2013 Boone County National Bank acquires partial assets from Shelter Financial Bank, Columbia, MO

2014 Metcalf Bank acquires Bank of Belton, Belton, MO

FNB of Audrain County acquires the Vandalia branch from First State Community Bank

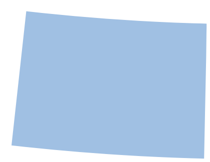
2015 Central Bank of the Midwest acquires Douglas County Bank, Lawrence, KS

Twelve of 13 charters are renamed under the **Central Bank** name

2017 The Central Trust Bank and Central Bank of Lake of the Ozarks acquire Bank Star One, New Bloomfield, MO

The Central Trust Bank creates Mortgage Central and opens offices in Colorado

Expanded into the State of Colorado



2018 Full-service branch opens in Colorado Springs, CO

2019 Central Bank of the Midwest acquires BankLiberty, Liberty, MO

Central Bank of the Midwest acquires Platte Valley Bank, Platte City, MO

2020 Surpassed **$15 Billion** in Total Assets

2021 Consolidated 13 Affiliate Bank Charters into one charter, "The Central Trust Bank."

Ranked 4th by *Forbes "Best Banks in America."*

2022 Expanded into the State of Florida

Board of Directors & Senior Leadership

Central Bancompany Board of Directors

S. Bryan Cook, *Executive Chairman*
Robert M. Robuck, *Vice Chairman*
John T. Ross, *President & Chief Executive Officer*
E. Stanley Kroenke, *President & CEO,* The Kroenke Group
Robert R. Hermann, Jr., *Chairman & CEO,* Hermann Companies, Inc.
Charles E. Kruse, *President,* Charles Kruse Farms, Inc.
Richard H. McClure, *Retired President & CEO,* UniGroup, Inc.
Michael K. Farmer, *President,* Farmer Companies
Edward D. "Chip" Robertson, Jr., *Attorney,* Bartimus Frickleton Robertson Rader P.C.
Charles Digges, Jr., *Retired President,* The Insurance Group - Columbia

The Central Trust Bank Board of Directors

S. Bryan Cook, *Chairman*
Robert M. Robuck, *Vice Chairman*
Stephen E. Erdel, *Vice Chairman*
John T. Ross, *President & Chief Executive Officer*
Richard H. McClure, *Retired President & CEO,* UniGroup, Inc.
Mark A. Adams, MD, *President,* Columbia Orthopaedic Group
J. Mark Cook, *CEO,* Central States Industrial Equipment
Laura Crowley-Coy, *General Manager,* Crowley Furniture
Kirk Farmer, *CEO,* Farmer Holding Company

Senior Leadership

S. Bryan Cook, *Executive Chairman*
John T. Ross, *President & Chief Executive Officer*
Robert M. Robuck, *Vice Chairman*
Daniel H. Westhues, *Senior Executive Vice President,* Chief Customer Officer
Piyush P. Agarwal, *Executive Vice President,* Chief Financial Officer
Jeremy W. Colbert, *Executive Vice President,* General Counsel & Corporate Secretary
Russell L. Goldammer, *Executive Vice President,* Chief Information Officer
Eric A. Hallgren, *Executive Vice President,* Chief Credit Officer
Scott M. Kellett, *Executive Vice President,* Wealth Management
Daniel G. Stephen, *Executive Vice President,* Regional Affiliate Banks

In Memoriam of Kenneth Littlefield

Ken began his career at Central Bancompany in 1995 as Executive Vice President, responsible for the company's credit quality. In 2007, he took the reins of The Central Trust Bank, Central Bancompany's flagship bank, where he led eight consecutive years of earnings growth before returning to the holding company as Chief Credit Officer.

Ken's dedication, vision, and commitment were pivotal in shaping the company. His financial wisdom guided countless employees, while his kindness touched everyone he encountered. His absence is profoundly felt by all of us.

Image: Our first fully bilingual bank branch in Kansas City, KS opened April 2024.

JEFFERSON CITY

Central Bank

Established in 1902
Founding member of Central Bancompany - 1970
President & CEO: L. Kenton Theroff

"In 2024, we continued to bring important financial information to our customers and communities through programs like *Reality Check* for high school students, educational workshops on fraud and scams, and building good credit. Our dedication to excellence is reflected in high customer and employee satisfaction, strong credit quality, and the successful maintenance of core deposits. We reinforced our financial stability in Central Missouri with increased earnings and strong support of our partners in civic progress, non-profit agencies, government entities, businesses, and individuals. We stayed true to our innovative roots, installing two state-of-the-art electric vehicle chargers and a 30-foot pylon with a high-definition screen near our popular Motor Bank facility." – *L. Kenton Theroff*

12 BRANCHES

253 EMPLOYEES

2,670 COMMUNITY SERVICE HOURS

ADVISORY BOARD

Clyde G. Lear
Jacob L. Vogel
Kirk Farmer
Joseph N. Scheppers
John B. Moseley

JEFFERSON CITY

Jefferson Bank

Established in 1967
Founding member of Central Bancompany - 1970
President & CEO: Brandy A. Bryant

"Reflecting on 2024, Jefferson Bank is optimistic about the opportunities in our capital city. We continued to foster relationships within our business community with 'Bank at Work' and other initiatives to strengthen growth within our workforce. We continued to nurture our financial partnership with current and prospective customers by offering learning opportunities on relevant financial topics. After many years of its absence, we were excited to bring back the annual holding company softball tournament, which fostered wonderful camaraderie and enjoyment among all participating markets." – *Brandy A. Bryant*

ADVISORY BOARD

Bernard J. Fechtel
C. Roger Schrimpf
Jeffrey L. Patrick, MD

4 BRANCHES

91 EMPLOYEES

1,650 COMMUNITY SERVICE HOURS

ST. LOUIS

Central Bank

Joined Central Bancompany in 1972

President & COO: Daniel G. Kleffner

"In 2024, St. Louis embraced the new branding campaign "Dream Bigger. Bank Better." We broke ground on a multi-year branch expansion effort and re-energized our community service commitment. In 2024, construction started on a new, full-service location in Wentzville and we are scheduled to break ground in St. Peters in early 2025. Additionally, our team showed their commitment to serving our community by more than tripling our service hours over last year! A highlight of those efforts was a new partnership with *Junior Achievement of Greater St. Louis* to provide a foundation of financial literacy. Central Bank of St. Louis is committed to continue building strong roots as we look forward to an exciting 2025!"
– *Daniel G. Kleffner*

ADVISORY BOARD

S. Bryan Cook
Richard J. Bagy, Jr.
Wayne R. Baker
Daniel B. Bruns
Robert C. Byrne, Jr.
Christopher Chivetta
Jeffrey S. Gershman
Bruce D. Gibbs
Daniel L. Human
Daniel G. Kleffner
Richard H. McClure
Daniel G. Stephen

16 BRANCHES

232 EMPLOYEES

2,724 COMMUNITY SERVICE HOURS

BOONE COUNTY

Central Bank

Joined Central Bancompany in 1974

President & CEO: Edward W. Scavone

"Our success in 2024 was directly related to the talents of our people and their willingness to work as a team. They understood that the challenges of our economy and our local competition meant they had to "Take Responsibility and Find Solutions." While we continued to support our community in many ways, it was our team's commitment to customers and each other that created our dynamic 2024." – *Edward W. Scavone*

14 BRANCHES

247 EMPLOYEES

4,852 COMMUNITY SERVICE HOURS

ADVISORY BOARD

Stephen E. Erdel
Joseph T. Henderson
Mark A. Adams, MD
Jason A. Burchfield
Paul T. Land
Rick L. Means
Gary W. Thompson
Jennifer M. Hedrick

AUDRAIN COUNTY

Central Bank

Joined Central Bancompany in 1977
President: Tony Robertson

"Our Mexico and Vandalia communities were front and center in 2024. We hosted two customer appreciation BBQs, our Chamber of Commerce Business After Hours, and a series of small business luncheons. Competition in our market increased substantially but our employees made certain our Legendary Service went above and beyond for our customers."
– *Tony Robertson*

2 BRANCHES

18 EMPLOYEES

162 COMMUNITY SERVICE HOURS

ADVISORY BOARD

Michael Bunge
Sterling Oliver
Mike Miller
Jimmie Reading
Rita Jackson

MOBERLY

Central Bank

Joined Central Bancompany in 1979
President & CEO: Michael Riffel

"Helping our community grow and making it a better place to live and work are core to what we do at Central Bank in Moberly. Our team is playing a major role in bettering our community and making sure we are part of every positive change. We are lucky to have a strong, dedicated group of bankers ready to take on any challenge." – *Michael Riffel*

ADVISORY BOARD

John S. Meystrik
K. Mack Hils
J. Richard Truesdell
Barbara A. Westhues
Charles W. McKeown

3 BRANCHES

24 EMPLOYEES

436 COMMUNITY SERVICE HOURS

OZARKS

Central Bank

Joined Central Bancompany in 1980
President & CEO: Joselyn E. Baldner

"Springfield serves as the economic heartbeat of our thriving region, experiencing dynamic growth through new development and revitalization efforts. With a renewed strategic emphasis on regional collaboration in our market, we are working to harness the full potential of the area's assets for businesses and residents alike. Central Bank fosters economic strength and workforce advancement by cultivating partnerships with healthcare, higher education, and private enterprises, driving sustainable prosperity for our community." – *Joselyn E. Baldner*

ADVISORY BOARD

Joselyn E. Baldner
Michael J. Williamson
J. Mark Cook
Judi M. Samuel
John R. Twitty
Thomas B. Rankin
Mark M. McNay
Mark L. Walker
Mary Schrag

20 BRANCHES

250 EMPLOYEES

1,500+ COMMUNITY SERVICE HOURS

LAKE OF THE OZARKS

Central Bank

Joined Central Bancompany in 1986
President & CEO: James D. Judas, Jr.

"Our communities continue to experience growth, and our financial partnerships have become long-standing relationships. Commitment to our communities is our #1 focus and we do this each day by *Living LEGENDARY*. Central Bank, officers and employees take great pride in giving back to the areas in which we work and play...every day!" – *James D. Judas, Jr.*

7 BRANCHES

149 EMPLOYEES

1,684 COMMUNITY SERVICE HOURS

ADVISORY BOARD

Joe Jurgensmeyer
Danny D. Opie
Belinda K. Phillips
George Stanton
Robert C. Frazee

BRANSON

Central Bank

Joined Central Bancompany in 1988

President & CEO: Joseph F. Loth, Jr.

"2024 was another great year for growth and deepened community impact in the Branson area. Our commitment to financial strength, innovation, and local support has propelled us forward, bringing prosperity for both our customers and the communities we serve. We expanded our financial education programs for all demographics, exhibiting our investment in the overall financial well-being of the area." – *Joseph F. Loth, Jr.*

6 BRANCHES

70 EMPLOYEES

2,000+ COMMUNITY SERVICE HOURS

ADVISORY BOARD

Brian Burney
Patrick Cox
Ann M. McDowell
Daniel Ruda
Chris Vinton

SEDALIA

Central Bank

Joined Central Bancompany in 1992

President & CEO: Greg Eby

"In 2024, Sedalia's economy continued to thrive, fueled by the strength of its agriculture and manufacturing sectors. Local farmers benefited from Central Bank's *Ag Forward* seminar series, which covered essential topics to support growth and sustainability.

Central Bank continues to be recognized as the leading financial institution in the Sedalia area, playing a pivotal role in supporting the community's economic progress. Initiatives like *Reality Check* help educate students by providing essential budgeting skills, while the Annual Charity Challenge Blood Drive continues to foster a strong sense of community engagement." – *Greg Eby*

ADVISORY BOARD

Charles G. Kempton
David Albrecht
Charles G. Marshall
Kenneth D. Weymuth
Chris Squires
Greg Wehrman

5 BRANCHES

75 EMPLOYEES

1,300+ COMMUNITY SERVICE HOURS

MIDWEST

Central Bank

Joined Central Bancompany in 1993

President & CEO: Bill Ferguson

"Our team's dedication in 2024 earned us the titles of 'Best Bank in Kansas City', 'Best Bank in Johnson County', and 'Best Bank in Lawrence.' We remain committed to our customers and communities in Kansas City, and we're excited to open a branch in Olathe, delivering the same customer service our current clients enjoy." – *Bill Ferguson*

ADVISORY BOARD

Jeff Bethel
Alec Cook
Laura Crowley-Coy
Joe Flannery
Suzanne McCanles
Molly Nail
Jim Person
Rob Rogers

49 BRANCHES

445 EMPLOYEES

4,193 COMMUNITY SERVICE HOURS

WARRENSBURG

Central Bank

Joined Central Bancompany in 1997

President & CEO: Marshall S. Abney

"We take great pride in the strong relationships we've built within our communities. Our employees are at the heart of everything we do, and their dedication to serving others makes all the difference, as shown by more than 700 hours of community service. We were honored by Johnson County Big Brothers and Big Sisters and raised more than $11,000 to support them. Additionally, we're pleased to support other great organizations each year.

Through programs like *Reality Check*, our budgeting simulation program, we empowered 6 high school districts with financial education. We're not just a bank; we're a trusted community partner. – *Marshall S. Abney*

4 BRANCHES

54 EMPLOYEES

786+ COMMUNITY SERVICE HOURS

ADVISORY BOARD

Stephen L. Abney
Densil E. Allen
Daric E. Elwell
Barndon Badgley
Matt Lotspeich
Glenn Opfer
Angela Phelps

OKLAHOMA

Central Bank

Joined Central Bancompany in 2004

President & CEO: John B. Allan

"Exciting developments in Tulsa and Oklahoma City (OKC), are shaping the landscape with expanding businesses and event centers. Tulsa is set to welcome a new convention center, while OKC is home to the recently completed $400 million OKANA resort and waterpark. Additionally, OKC is embarking on a groundbreaking project for a state-of-the-art $1 billion arena, the future home of the OKC Thunder. The region's residential construction is also thriving, contributing significantly to a remarkable $88 million in construction loans throughout Tulsa and OKC.

Central Bank of Oklahoma has marked a notable milestone with 10% loan growth in 2024, surpassing $800 million in total loans, reflecting the robust economic activity in the area." – *John B. Allan*

9 BRANCHES

87 EMPLOYEES

350+ COMMUNITY SERVICE HOURS

ADVISORY BOARD

George S. Sharp
Clifton Taulbert
Rick Willhour
John Woolman

COLORADO

Central Bank

Established in 2017

President & CEO: Baxter Fain

"Central Bank of Colorado had a wonderful 2024, adding key people to an already amazing team, who did a tremendous amount of networking in our communities. We have grown to a $650 million bank with more than 1,000 new deposit customers. With full-service branch locations in Durango, Colorado Springs, Greenwood Village, and Westminster and Loan Production Offices in Canon City, Montrose, and Pagosa Springs, we are excited for 2025." – Baxter Fain

4 BRANCHES

76 EMPLOYEES

200+ COMMUNITY SERVICE HOURS

WEALTH MANAGEMENT

President & CEO: Scott M. Kellett

"Central Trust Company updated its fee schedule, resulting in an increase of approximately $4.2 million in annualized fees—a 10% growth rate. This financial performance was further strengthened by consistent organic growth and robust new business across our markets.

Our expansion strategy in frontier markets has yielded positive results, with Oklahoma, Colorado, and Florida emerging as meaningful growth territories.

The Private Banking division is undergoing a comprehensive refresh of its products and services. This strategic initiative is led by our newly appointed Head of Private Banking, Jefferson Crew. We have identified substantial banking and wealth management assets held with competitors, presenting significant opportunities to deepen and expand client relationships." – *Scott M. Kellett*

CENTRAL TRUST COMPANY

150 EMPLOYEES

9 LOCATIONS

- Jefferson City
- Columbia
- Lake of the Ozarks
- Springfield
- Kansas City
- St. Louis
- Oklahoma City
- Naples
- Colorado

"Central Investment Advisors is in the process of developing a Licensed Banker Program to enhance referral opportunities in larger markets. Key retail employees would acquire securities licensing (no sales or advice, referral only), and would be incentivized with a percentage of the first year's advisory fee or initial commission. We continue to develop the Advisor Training Program in order to grow our "bench" of financial advisors, encouraging employee retention and career growth." – *Scott M. Kellett*

CENTRAL INVESTMENT ADVISORS

44 LOCATIONS

56 EMPLOYEES

- 36 Financial Advisors (includes 16 CFPs & 4 MBAs)
- 4 Advisor Trainees
- 15 Client Service Specialists
- 4 HQ (Program Manager, Asst. Manager, Controller & ISI Manager)

700+ COMBINED COMMUNITY SERVICE HOURS

10th Best Bank in America

Forbes 2025

AMERICA'S BEST BANKS

Central Bancompany
Strong roots. Endless possibilities.℠

238 Madison Street, Jefferson City, Missouri 65101