FinWise Bancorp Reports Third Quarter 2026 Results

October 28, 2026

- Loan Originations of $2.1 Billion -
- Net Income of $10.0 Million -
- Diluted Earnings Per Share of $0.73 -

MURRAY, Utah, Oct. 28, 2026 (GLOBE NEWSWIRE) -- FinWise Bancorp (NASDAQ: FINW) ("FinWise", the "Company", "we", "our", or "us"), parent company of FinWise Bank (the "Bank"), today announced results for the quarter ended September 30, 2026.

Third Quarter 2026 Highlights

- Loan originations totaled $2.1 billion, compared to $1.6 billion for the quarter ended June 30, 2026, and $1.8 billion for the third quarter of the prior year
- Period end credit enhanced loan balances outstanding reached $146.2 million in the third quarter, compared to $74.2 million for the quarter ended June 30, 2026, and $41.4 million for the third quarter of the prior year
- Net interest income was $41.9 million, compared to $28.4 million for the quarter ended June 30, 2026, and $18.6 million for the third quarter of the prior year
- Net income was $10.0 million, compared to $2.1 million for the quarter ended June 30, 2026, and $4.9 million for the third quarter of the prior year
- Net income for the three months ended September 30, 2026 includes a $6.5 million bargain purchase gain resulting from the July 20, 2026 acquisition of certain assets and assumption of certain liabilities of Tallied Technologies Inc. and a $0.4 million loss from discontinued operations
- Diluted earnings per share ("EPS") were $0.73 for the quarter, compared to $0.15 for the quarter ended June 30, 2026, and $0.34 for the third quarter of the prior year
- Efficiency ratio[1] was 41.6%, compared to 54.9% for the quarter ended June 30, 2026, and 47.6% for the third quarter of the prior year
- Nonperforming loan balances were $37.1 million as of September 30, 2026, compared to $37.7 million as of June 30, 2026, and $43.1 million as of September 30, 2025. Nonperforming loan balances guaranteed by the Small Business Administration ("SBA") were $17.7 million, $19.1 million, and $23.6 million as of September 30, 2026, June 30, 2026, and September 30, 2025, respectively

"This quarter demonstrates the tangible progress we have made in broadening our platform and building a more capital-efficient sponsor bank," said Jim Noone, CEO of FinWise Bancorp. "We originated $2.1 billion in loans and we nearly doubled our credit-enhanced balances to $146 million in the quarter. Even after the cost of those partner arrangements, net interest income rose 17%[1] from the second quarter. We also recognized a one-time gain from our first acquisition transaction.

"Credit performance improved during the quarter. Net charge-offs on loans without credit enhancement were $2.6 million in the quarter, well below the range of the last few quarters. Non-performing asset balances also decreased quarter-over-quarter. With tangible book value up 9% over the past year, a leverage ratio of 18.1%, a strong pipeline of prospective partners with the potential to contribute more meaningfully to future revenue, and continued share repurchases, we have the capital strength, teams and operating environment to execute. We remain committed to disciplined execution, ongoing credit quality improvement, and delivering long-term value for our shareholders."

[1] See "Reconciliation of GAAP to Non-GAAP Financial Measures" for a reconciliation of this non-GAAP measure.

Selected Financial and Other Data

	As of and for the Three Months Ended		
($ in thousands, except per share amounts)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Amount of loans originated	$ 2,065,300	$ 1,629,920	$ 1,789,736
Provision for credit losses, net of provision for credit-enhanced Strategic Program loans(1)	$ 1,355	$ 5,999	$ 3,949
Net income	$ 10,046	$ 2,133	$ 4,891
Diluted EPS(2)	$ 0.73	$ 0.15	$ 0.34
Income from continuing operations before income taxes and provision for non-credit enhanced(3)	$ 14,607	$ 8,273	$ 10,360
Return on average assets(4)	4.3%	0.9%	2.2%
Return on average equity(4)	19.9%	4.3%	10.6%
Yield on loans	25.14%	18.75%	13.25%
Cost of interest-bearing deposits	3.89%	3.83%	4.06%
Net interest margin	19.58%	13.83%	9.09%
Efficiency ratio from continuing operations(5)	41.6%	54.9%	47.6%
Tangible book value per share(6)	$ 15.14	$ 14.55	$ 13.84
Tangible shareholders' equity to tangible assets (6)	21.7%	21.5%	20.9%
Leverage ratio (Bank under CBLR)	18.1%	18.1%	17.2%
Full-time equivalent employees	209	206	194

(1) Represents a non-GAAP financial measure calculated as the total provision for credit losses less the provision attributable to Strategic Program loans with credit enhancement. This non-GAAP measure reflects the portion of credit loss provision that is not covered by strategic partners with credit enhancement and therefore represents the Company's provision expense for the credit exposure retained by the Company. See "Reconciliation of GAAP to Non-GAAP Financial Measures" for a reconciliation of this measure to its most comparable GAAP measure.

(2) FinWise uses the two-class method to calculate basic and diluted EPS as restricted stock awards are considered participating securities due to the dividend rights associated with those awards. Effective December 31, 2025, executive management elected to waive the dividend rights on their unvested restricted stock awards, and this waiver extends to restricted stock awards granted in 2026 to directors and various other employees. As a result, these unvested shares are no longer treated as participating securities and are excluded from the two-class method calculation of EPS. The impact on basic and diluted earnings per share was de minimis, and previously reported periods are not affected.

(3) Represents a non-GAAP financial measure calculated by adding the provision for credit losses and subtracting the credit enhancement income to income from continuing operations before income taxes. See "Reconciliation of GAAP to Non-GAAP Financial Measures" for a reconciliation of this measure to its most comparable GAAP measure.

(4) Annualized for the respective three-month periods.

(5) Efficiency ratio is a non-GAAP financial measure. The efficiency ratio is defined as total non-interest expense divided by the sum of net interest income and non-interest income. The Company believes this measure is important as an indicator of productivity because it shows the amount of revenue generated for each dollar spent. See "Reconciliation of GAAP to Non-GAAP Financial Measures" for a reconciliation of this measure to its most comparable GAAP measure.

(6) Tangible shareholders' equity to tangible assets is a non-GAAP financial measure. Tangible shareholders' equity is defined as total shareholders' equity less goodwill and other intangible assets. The most directly comparable GAAP financial measure is total shareholder's equity to total assets. The Company had no goodwill at the end of any period indicated. The Company has not considered internally used software and loan servicing rights or loan trailing fee assets as intangible assets for purposes of this calculation. As a result, tangible shareholders' equity is the same as total shareholders' equity at the end of each of the periods indicated.

Credit Card Business: Strategic Repositioning and Discontinued Operations

In July 2026, FinWise completed its acquisition of certain assets and assumption of certain liabilities of Tallied Technologies, Inc. ("Tallied"). The transaction added card issuing and program management technology, along with an experienced team, that expands the Company's ability to support credit card programs for its fintech partners. Concurrent with the acquisition, the Company determined that investing in credit card receivables was not a strategy the Company would pursue, and the Board of Directors approved a plan to exit the credit card portfolio business and to divest the credit card loan portfolio and certain acquired assets and liabilities while retaining the technology and credit card servicing platform. The disposal group consists of the credit card portfolio as well as the program sponsor relationship, program records, and associated cardholder rewards liability acquired as part of the Tallied transaction. Accordingly, the results of the credit card business are presented as discontinued operations for all periods presented, and the related assets and liabilities are classified as assets and liabilities of discontinued operations on the balance sheet as of September 30, 2026. The Company is retaining the technology platform and development team to help complete the platform build out to be used to support our strategy to service credit card programs and the payments needs of our fintech partners as part of our banking-as-a service strategy.

For the third quarter of 2026, net income from continuing operations was $10.4 million, or $0.76 per diluted share, including a bargain purchase gain of $6.5 million. Net loss from discontinued operations was $0.4 million. The Company expects to complete the sale of its credit card business, including certain credit card assets acquired in the Tallied transaction, by the second quarter of 2027.

Loan Originations

Loan originations totaled $2.1 billion for the third quarter of 2026, an increase from the $1.6 billion recorded in the prior quarter and an increase from the $1.8 billion recorded in the prior year period. The growth in originations compared to both the prior quarter and the prior year period primarily reflects the seasonality of originations by student loan lenders, the rapid growth of a credit enhancement lending relationship, and an increase in volume from certain established strategic programs.

Net Interest Income and Net Interest Margin

Net interest income was $41.9 million for the third quarter of 2026, compared to $28.4 million for the prior quarter and $18.6 million for the prior year period. The increase from the prior quarter was primarily due to growth in the credit-enhanced loan portfolio and a decrease in the migration of performing loans to nonperforming loans, which resulted in a lower reversal of interest on nonaccrual loans and contributed to an increase in the average yield on loans held-for-investment. The increase from the prior year period was primarily due to the same growth in credit enhanced loans, as well as a change in estimate, based on additional information and experience, regarding the allocation of interest received on credit enhanced loans in excess of the amount FinWise retains. FinWise now estimates that all excess interest is attributable to servicing and credit guarantee expense. In the prior year, it had estimated that a portion was attributable to origination costs, or finders' fees, which was reported in net interest income. Because this change in estimate was reflected in both the current and prior quarters, it did not affect the comparison to the quarter ended June 30, 2026.

Net interest margin for the third quarter of 2026 was 19.58%, compared to 13.83% for the prior quarter and 9.09% for the prior year period. The increase in net interest margin from the prior quarter was primarily due to growth in the higher-yielding credit-enhanced loan portfolio and a decrease in the migration of performing loans to nonaccrual status, which resulted in lower reversals of interest on nonaccrual loans, partially offset by a higher average rate paid on time certificates of deposit. The increase in net interest margin from the prior-year period was primarily due to growth in the higher-yielding credit-enhanced loan portfolio and higher yields on loans held-for-investment, the change in estimated allocation of excess interest as previously described, and lower rates paid on deposits.

Provision for Credit Losses

	Three Months Ended		
($ in thousands)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Provision for credit losses:			
Strategic Program loans - with credit enhancement(1)	$ 45,392	$ 14,944	$ 8,850
Strategic Program loans - without credit enhancement	1,324	1,995	2,462
All other loans (core portfolio)	(126)	3,880	1,346
Provision for credit losses on loans	46,590	20,819	12,658
Provision for unfunded commitments	157	124	141

Total provision for credit losses	$ 46,747	$ 20,943	$ 12,799

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

The Company's provision for credit losses from continuing operations was $46.7 million for the third quarter of 2026, compared to $20.9 million for the prior quarter and $12.8 million for the prior year period. The increase from the prior quarter was primarily due to growth in the credit-enhanced loan programs, for which the provision is offset by credit enhancement income recognized in non-interest income. Excluding credit-enhanced loans, the provision for credit losses of $1.4 million declined $4.6 million from the prior quarter, compared to a provision of $5.9 million in the prior quarter, reflecting higher recoveries, reduced migration to classified loans resulting in less provisions for loans individually reviewed for impairment, and lower provisioning on Strategic Program loans without credit enhancement. The year-over-year increase was primarily related to growth in the credit-enhanced portfolio, partially offset by lower provisioning in the traditional bank portfolio as migration to classified status declined, and on Strategic Program loans without credit enhancement.

Non-interest Income

	Three Months Ended		
($ in thousands)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Non-interest income			
Strategic Program fees	$ 6,573	$ 5,251	$ 6,180
Gain on sale of loans	1,866	1,480	1,854
SBA loan servicing fees, net	79	80	(242)
Change in fair value on investment in BFG	(900)	(200)	200
Credit enhancement income	45,392	14,944	8,762
Bargain purchase gain	6,456	—	—
Other miscellaneous income	1,359	1,567	1,298
Total non-interest income	$ 60,825	$ 23,122	$ 18,052

The increase in non-interest income from the prior quarter was primarily due to an increase in credit enhancement income, which corresponds to the higher provision for credit losses on credit-enhanced loans for the quarter ended September 30, 2026. Non-interest income also included a $6.5 million bargain purchase gain recognized in connection with the Tallied acquisition. In addition, Strategic Program fees increased, consistent with growth in Strategic Program volume and in Strategic Program loans held for investment. These increases were partially offset by a decrease in the fair value of the Company's investment in BFG.

The increase in non-interest income compared to the prior-year period was primarily due to an increase in credit enhancement income, driven by growth in credit-enhanced loan balances, and the $6.5 million bargain purchase gain recognized in connection with the Tallied acquisition. These increases were partially offset by a decrease in the fair value of the Company's investment in BFG.

Non-interest Expense

	Three Months Ended		
($ in thousands)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Non-interest expense			
Salaries and employee benefits	$ 12,483	$ 11,062	$ 10,814
Professional services	1,426	1,146	876
Occupancy and equipment expenses	440	417	456
Credit enhancement servicing expense	4,284	1,393	248
Credit enhancement guarantee expense	20,049	11,337	1,720
Other operating expenses	4,062	2,951	3,335
Total non-interest expense	$ 42,744	$ 28,306	$ 17,449

The increase in non-interest expense from the prior quarter resulted primarily from increases in credit enhancement guarantee and servicing expenses, largely resulting from an increase in interest income attributable to the credit-enhanced loan portfolio. Excluding credit enhancement related expenses, non-interest expense increased $2.8 million, primarily due to a $1.4 million increase for higher salaries and employee benefits, including employees added in connection with the Tallied acquisition, and higher other operating expenses.

The increase in non-interest expense from the prior-year period was primarily due to an increase in credit enhancement guarantee and servicing expenses resulting from growth in credit-enhanced loans, and higher salaries and employee benefits, principally from increased headcount, including employees added in connection with the Tallied acquisition.

FinWise's efficiency ratio was 41.6% for the third quarter, compared to 54.9% for the prior quarter and 47.6% for the prior year period. We expect the efficiency ratio to continue to improve as we realize increased revenues from interest earned on our growing credit-enhanced loan balances.

Tax Rate

The Company's effective tax rate was 21.0% for the third quarter of 2026, down from 23.9% for the prior quarter and 23.7% for the prior year period. The lower effective tax rate in the third quarter is primarily driven by the $6.5 million bargain purchase gain recognized in connection with the Tallied acquisition, as it is excluded from the calculation of income tax because the related deferred taxes were recorded in acquisition accounting. Partially offsetting this benefit were $0.6 million of discrete tax expense related to state income tax refunds received during the quarter, as well as a higher estimated annual effective tax rate attributable to nondeductible compensation.

Net Income
Net income was $10.0 million for the third quarter of 2026, compared to $2.1 million for the prior quarter and $4.9 million for the prior year period. Net income from continuing operations was $10.4 million for the third quarter, compared to $1.8 million for the prior quarter and $4.9 million for the prior year period. Third quarter results included a non-recurring, pre-tax bargain purchase gain of $6.5 million recognized in connection with the Tallied acquisition; this gain was exempt from income tax as the related deferred taxes were recorded in acquisition accounting. Discontinued operations resulted in a loss, net of tax, of $0.4 million for the third quarter, compared to income, net of tax, of $0.4 million for the prior quarter. The remaining changes in net income for the three months ended September 30, 2026 relative to both the prior quarter and prior year period, are otherwise generally attributable to the factors discussed in the foregoing sections.

Balance Sheet
The Company's total assets were $958.3 million as of September 30, 2026, an increase from $925.3 million as of June 30, 2026 and an increase from $899.9 million as of September 30, 2025. The increase in total assets from June 30, 2026 was primarily due to increases in credit-enhanced loans of $72.0 million, the credit enhancement asset of $35.9 million, and other assets of $13.9 million. These increases were partially offset by an increase in the allowance for credit losses of $36.1 million, a decrease in Strategic Program loans held-for-sale of $30.2 million, and a decrease in loans held-for-investment, excluding credit-enhanced loans, of $13.0 million.

The increase in total assets compared to September 30, 2025 was primarily due to increases in credit-enhanced loans of $104.9 million, the credit enhancement asset of $53.0 million, assets of discontinued operations of $42.3 million related to the credit card program, and other assets of $32.6 million. These increases were partially offset by a decrease in loans held-for-investment, excluding credit-enhanced loans, of $78.8 million, an increase in the allowance for credit losses of $54.3 million, and decreases in Strategic Program loans held-for-sale of $22.1 million and cash and cash equivalents of $13.1 million.

The following table provides the composition of loans held-for-investment ("HFI") as of the dates indicated:

	9/30/2026		6/30/2026		9/30/2025	
($ in thousands)	**Amount**	**% of total loans**	**Amount**	**% of total loans**	**Amount**	**% of total loans**
SBA	$ 135,780	23.2%	$ 162,441	30.9%	$ 240,945	43.1%
Commercial leases	79,102	13.5%	72,940	13.9%	77,763	13.9%
Commercial, non-real estate	3,157	0.5%	3,544	0.7%	4,908	0.9%
Residential real estate	79,934	13.7%	71,426	13.6%	61,521	11.0%
Strategic Program loans:						
Strategic Program loans - with credit enhancement	146,241	25.0%	74,229	14.1%	41,369	7.4%
Strategic Program loans - without credit enhancement	36,902	6.3%	34,488	6.6%	21,899	3.9%
Commercial real estate:						
Owner occupied	87,465	14.9%	87,779	16.7%	84,703	15.1%
Non-owner occupied	2,247	0.4%	2,136	0.4%	1,448	0.3%
Consumer	14,321	2.5%	17,170	3.3%	24,569	4.4%
Total period end loans	$ 585,149	100.0%	$ 526,153	100.0%	$ 559,125	100.0%

Note: SBA loans as of September 30, 2026, June 30, 2026, and September 30, 2025 include $44.0 million, $65.5 million, and $132.7 million, respectively, of SBA 7(a) loan balances that are guaranteed by the SBA.

Total loans HFI as of September 30, 2026 increased $59.0 million and increased $26.0 million compared to June 30, 2026, and September 30, 2025, respectively. The increases were driven by growth in credit-enhanced Strategic Program loans, which increased $72.0 million and $104.9 million compared to June 30, 2026 and September 30, 2025, respectively, reflecting our 2025 strategic initiative to develop the credit-enhanced portfolio. These increases were partially offset by declines in the SBA portfolio of $26.7 million and $105.2 million compared to June 30, 2026 and September 30, 2025, respectively, resulting primarily from sales of the guaranteed portions of SBA 7(a) loans, reflecting ongoing portfolio and credit risk management.

The following table presents the Company's deposit composition as of the dates indicated:

	9/30/2026		6/30/2026		9/30/2025	
($ in thousands)	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Noninterest-bearing demand deposits	$ 137,425	19.4%	$ 118,926	17.1%	$ 130,601	19.2%
Interest-bearing deposits:						
Demand	75,544	10.7%	106,833	15.4%	89,443	13.1%
Savings	7,290	1.0%	7,968	1.1%	11,495	1.7%
Money market	20,232	2.9%	21,969	3.2%	22,634	3.3%
Time certificates of deposit	467,110	66.0%	438,103	63.2%	428,137	62.7%
Total period end deposits	$ 707,601	100.0%	$ 693,799	100.0%	$ 682,310	100.0%

The increase in total deposits as of September 30, 2026 from June 30, 2026 was primarily due to growth in time certificates of deposit of $29.0 million and noninterest-bearing demand deposits of $18.5 million, partially offset by a decrease in interest-bearing demand deposits of $31.3 million. The increase in total deposits as of September 30, 2026 from September 30, 2025 was primarily driven by growth in time certificates of deposit of $39.0 million, which were utilized to fund growth in credit-enhanced loans and enhance the Company's liquidity profile, and in noninterest-bearing demand deposits of $6.8 million, partially offset by a decrease in interest-bearing demand deposits of $13.9 million.

Total shareholders' equity as of September 30, 2026 increased $8.9 million to $208.1 million from $199.2 million at June 30, 2026. Compared to September 30, 2025, total shareholders' equity increased by $20.3 million from $187.8 million. The increases from June 30, 2026, and September 30, 2025 were primarily due to net income generated throughout the respective period, partially offset by repurchases of common stock under the Company's stock repurchase program.

Bank Regulatory Capital Ratios
The following table presents the leverage ratios for the Bank as of the dates indicated as determined under the Community Bank Leverage Ratio Framework of the Federal Deposit Insurance Corporation:

	As of			
Capital Ratios	9/30/2026	6/30/2026	9/30/2025	Well-Capitalized Requirement[1]
Leverage ratio	18.1%	18.1%	17.2%	8.0%

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

The leverage ratio was unchanged from the prior quarter, as growth in capital from earnings was offset by growth in average assets. The increase from the prior year period resulted primarily from growth in capital from earnings exceeding the relative growth in average assets. The Bank's capital levels as of September 30, 2026 remain significantly above the regulatory well-capitalized guidelines as of September 30, 2026.

Share Repurchase Program
During the three months ended September 30, 2026, the Company repurchased 159,099 shares for $2.2 million under the Company's share repurchase program announced in May 2026, which provides for the purchase of up to 685,000 of the Company's issued and outstanding shares, from time to time, on or before the program's expiration date, in the open market, in privately-negotiated transactions, or otherwise, subject to applicable laws and regulations. As of September 30, 2026, the Company has repurchased an aggregate amount of 188,835 shares under the plan since its inception.

Asset Quality
The recorded balances of nonperforming loans were $37.1 million, or 6.3% of total loans held-for-investment, as of September 30, 2026, compared to $37.7 million, or 7.2% of total loans held-for-investment, as of June 30, 2026 and $43.1 million, or 7.7% of total loans held-for-investment, as of September 30, 2025. The balances of nonperforming loans guaranteed by the SBA were $17.7 million, $19.1 million, and $23.6 million as of September 30, 2026, June 30, 2026, and September 30, 2025, respectively. The decrease in nonperforming loans from the prior quarter and prior year period was primarily attributable to paydowns resulting from the sale of real property collateralizing nonperforming SBA 7(a) and commercial real estate loans. The decrease in nonperforming loans as a percentage of total loans held-for-investment from the prior quarter also reflects growth in credit-enhanced loans held-for-investment. The Company's allowance for credit losses to total loans held-for-investment was 13.6% as of September 30, 2026 compared to 8.3% as of June 30, 2026 and 4.6% as of September 30, 2025. The increase in the ratio from the prior quarter and prior year period was primarily due to the provision for credit losses related to the growth of the credit enhanced loan balances.

The Company's net charge-offs were $10.6 million, $11.4 million, and $3.1 million for the three months ended September 30, 2026, June 30, 2026, and September 30, 2025, respectively. The decrease in net charge-offs from the prior quarter resulted primarily from lower charge-offs in the traditional bank portfolio, partially offset by higher charge-offs associated with credit-enhanced Strategic Program loans. The increase from the third quarter of 2025 resulted primarily from higher charge-offs associated with credit-enhanced Strategic Program loans as that program increased in size and matured. Charge-offs for the traditional bank portfolio totaled $1.1 million in the third quarter compared to $3.3 million in the prior quarter and $0.9 million in the third quarter of 2025. The decrease from the prior quarter reflects lower charge-offs on owner-occupied commercial real estate and commercial and industrial loans, while the increase from the prior year period primarily reflects charge-offs on owner-occupied commercial real estate loans resulting from the resolution of specific nonperforming loans.

The following table presents a summary of changes in the allowance for credit losses and credit quality data for the periods indicated:

	Three Months Ended		
($ in thousands)	9/30/2026	6/30/2026	9/30/2025
Allowance for credit losses:			
Beginning balance	$ 43,851	$ 34,382	$ 16,247
Provision for credit losses[1]	46,590	20,819	12,658
Charge-offs			
Construction and land development	—	—	—
Residential real estate	(98)	(153)	(33)
Residential real estate multifamily	—	—	—
Commercial real estate:			
Owner occupied	(826)	(2,258)	(258)
Non-owner occupied	—	(47)	—
Commercial and industrial	(165)	(763)	(409)
Consumer	(13)	(13)	(119)
Lease financing receivables	(48)	(99)	(52)
Strategic Program loans:			
Strategic Program loans - with credit enhancement	(8,216)	(6,224)	(105)
Strategic Program loans - without credit enhancement	(2,528)	(2,677)	(2,641)
Recoveries			
Construction and land development	—	—	—
Residential real estate	279	4	3
Residential real estate multifamily	—	—	—
Commercial real estate:			
Owner occupied	423	333	90
Non-owner occupied	14	—	—
Commercial and industrial	4	33	1
Consumer	5	7	3
Lease financing receivables	3	21	52
Strategic Program loans[2]	546	486	341
Ending Balance	$ 79,821	$ 43,851	$ 25,778

	As of and For the Three Months Ended
Credit Quality Data	

($ in thousands)	9/30/2026	6/30/2026	9/30/2025
Nonperforming loans:			
Guaranteed	$ 17,743	$ 19,100	$ 23,572
Unguaranteed	19,390	18,570	19,534
Total nonperforming loans	$ 37,133	$ 37,670	$ 43,106
Allowance for credit losses	$ 79,821	$ 43,851	$ 25,778
Net charge-offs:			
Core portfolio	$ 422	$ 2,935	$ 722
Strategic Program loans - with credit enhancement(2)	8,055	6,139	105
Strategic Program loans - without credit enhancement	2,143	2,276	2,300
Total net charge-offs	$ 10,620	$ 11,350	$ 3,127
Total loans held-for-investment	$ 585,149	$ 526,153	$ 559,125
Total loans held-for-investment less guaranteed balances	$ 541,143	$ 460,650	$ 426,392
Average loans held-for-investment	$ 608,198	$ 582,171	$ 542,595
Nonperforming loans to total loans held-for-investment	6.3%	7.2%	7.7%
Unguaranteed nonperforming loans to total loans held-for-investment	3.3%	3.5%	3.5%
Net charge-offs to average loans held-for-investment (annualized)	6.9%	7.8%	2.3%
Allowance for credit losses to total loans held-for-investment	13.6%	8.3%	4.6%
Allowance for credit losses to total loans held-for-investment, excluding guaranteed and credit-enhanced balances	3.9%	4.0%	3.8%

(1) Excludes the provision for unfunded commitments.

(2) Recoveries related to Strategic Program loans that were reimbursed fully on the credit enhanced portfolio totaled $9.5 million, $6.1 million, and $17.0 thousand for the three months ended September 30, 2026, June 30, 2026, and September 30, 2025, respectively.

Webcast and Conference Call Information

FinWise will host a conference call today at 5:00 PM ET to discuss its financial results for the third quarter of 2026. A simultaneous audio webcast of the conference call will be available at https://investors.finwisebancorp.com/.

The dial-in number for the conference call is (877) 423-9813 (toll-free) or (201) 689-8573 (international). The conference ID is 13762479. Please dial the number 10 minutes prior to the scheduled start time.

A webcast replay of the call will be available at investors.finwisebancorp.com for six months following the call.

About FinWise Bancorp

FinWise Bancorp is a Utah bank holding company headquartered in Murray, Utah which wholly owns FinWise Bank, a Utah chartered state bank, and FinWise Investment LLC (together “FinWise”). FinWise provides Banking and Payments solutions to fintech brands. FinWise’s existing Strategic Program Lending business, conducted through scalable API-driven infrastructure, powers deposit, lending and payments programs for leading fintech brands. As part of Strategic Program Lending, FinWise also provides a Credit Enhanced Balance Sheet Program, which addresses the challenges that lending and card programs face diversifying their funding sources and managing capital efficiency. In addition, FinWise manages other Lending programs such as SBA 7(a), Owner Occupied Commercial Real Estate, and Leasing, which provide flexibility for disciplined balance sheet growth. FinWise is also expanding and diversifying its business model by incorporating Payments (MoneyRails™) and BIN Sponsorship offerings. Through its compliance oversight and risk management-first culture, FinWise is well positioned to guide fintechs through a rigorous process to facilitate regulatory compliance. For more information about FinWise visit https://investors.finwisebancorp.com.

We periodically provide information for investors on our corporate website, finwisebancorp.com, and our investor relations website, investors.finwisebancorp.com. This includes press releases and other information about financial performance, reports filed or furnished with the SEC, information on corporate governance, and details related to our annual meeting of shareholders.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This release may contain forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company’s current views with respect to, among other things, the Company’s strategies, goals, beliefs, expectations, estimates, intentions, capital raising efforts, financial condition and results of operations, future performance and business. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “believe,” “expect,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “project,” “projection,” “forecast,” “budget,” “goal,” “target,” “would,” “aim” and “outlook,” or similar expressions generally indicate a forward-looking statement.

These forward-looking statements are based on management assumptions and involve risks and uncertainties that are subject to change based on various important factors, some of which are beyond the Company’s control. Numerous competitive, economic, regulatory, legal and technological events and factors, among others, could cause the Company’s actual results to differ materially from those indicated in these forward-looking statements, including: the success of the financial technology and banking-as-a-service industries, as well as the continued evolution of the regulation of these industries; the Company’s ability to maintain and grow its relationships with its service providers and reliance on such providers to comply with regulatory regimes; the Company’s ability to keep pace with rapid technological changes in the industry or implement new technology effectively, in particular the recent advancements in artificial intelligence and the risks that such technology presents; ability to effectively manage and remediate system failure or cybersecurity breaches of the Company’s network security; the Company’s ability to measure and manage its credit risk effectively and any deterioration of the business and economic conditions in the Company’s primary market areas; the adequacy of the Company’s allowance for credit losses; changes in Small Business Administration rules, regulations and loan products and the existing regulatory framework for brokered deposits; higher inflation and its impacts; the effects of changes in U.S. trade policies, including the imposition of tariffs and retaliatory tariffs on its trading partners; the value of collateral securing the Company’s loans; the Company’s levels of nonperforming assets; the potential for negative consequences resulting from regulatory violations, investigations and examinations, including potential supervisory actions, the assessment of fines and penalties, the imposition of sanctions, the need to undertake remedial actions and possible damage to the Company’s reputation; natural disasters and adverse weather, acts of terrorism, pandemics, an outbreak of hostilities or other international or domestic calamities, including the ongoing conflicts in Iran and Middle East that can increase levels of political and economic unpredictability, contribute to rising energy and commodity prices, and increase the volatility of financial markets; anticipated benefits of new lines of business that the Company may enter or investments or

acquisitions the Company may make that are not realized within the expected time frame or at all, including the Company's ability to manage integration costs and the timing in disposing of acquired assets classified as discontinued operations; further negative ratings outlooks or downgrades of the long-term credit rating of the United States; and potential government shutdowns and other political impasses, including with respect to the debt ceiling and the federal budget of the United States.

The Company cautions that the foregoing factors are not exclusive, and neither such factors nor any such forward-looking statement takes into account the impact of any future events. All forward-looking statements and information set forth herein are based on management's current beliefs and assumptions as of the date hereof and speak only as of the date they are made. For a more complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review the Company's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K. The Company does not undertake to update any forward-looking statement whether written or oral, that may be made from time to time by the Company or by or on behalf of the Company, except as may be required under applicable law.

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FINWISE BANCORP
CONSOLIDATED BALANCE SHEETS
($ in thousands; Unaudited)

	9/30/2026	6/30/2026	9/30/2025
ASSETS			
Cash and cash equivalents			
Cash and due from banks	$ 8,786	$ 6,111	$ 10,362
Interest-bearing deposits	83,786	87,527	95,265
Total cash and cash equivalents	92,572	93,638	105,627
Investment securities available-for-sale, at fair value	24,998	27,546	27,761
Investment securities held-to-maturity, at cost	8,414	8,882	10,617
Strategic Program loans held-for-sale, at lower of cost or fair value	134,661	164,906	156,718
Loans held-for-investment, net	505,328	482,302	533,347
Credit enhancement asset	64,247	28,322	11,214
Assets subject to operating leases, net	10,040	11,107	13,317
Deferred taxes, net	2,926	2,848	1,079
Assets of discontinued operations	42,258	46,822	—
Other assets	72,881	58,938	40,249
Total assets	**$ 958,325**	**$ 925,311**	**$ 899,929**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Deposits			
Noninterest-bearing	$ 137,425	$ 118,926	$ 130,601
Interest-bearing	570,176	574,873	551,709
Total deposits	707,601	693,799	682,310
Liabilities of discontinued operations	8,297	162	—
Other liabilities	34,377	32,159	29,854
Total liabilities	**750,275**	**726,120**	**712,164**
Shareholders' equity			
Common stock	14	14	14
Additional paid-in-capital	61,739	62,359	59,417
Retained earnings	146,308	136,804	128,282
Accumulated other comprehensive income (loss), net of tax	(11)	14	52
Total shareholders' equity	**208,050**	**199,191**	**187,765**
Total liabilities and shareholders' equity	**$ 958,325**	**$ 925,311**	**$ 899,929**

FINWISE BANCORP
CONSOLIDATED STATEMENTS OF INCOME
($ in thousands, except per share amounts; Unaudited)

	Three Months Ended		
	9/30/2026	6/30/2026	9/30/2025
Interest income			
Interest and fees on loans	$ 45,569	$ 31,922	$ 22,532
Interest on securities	315	337	360
Other interest income	891	888	1,074

Total interest income	46,775	33,147	23,966
Interest expense			
Interest on deposits	4,857	4,746	5,359
Total interest expense	4,857	4,746	5,359
Net interest income	41,918	28,401	18,607
Provision for credit losses	46,747	20,943	12,799
Net interest income (loss) after provision for credit losses	(4,829)	7,458	5,808
Non-interest income			
Strategic Program fees	6,573	5,251	6,180
Gain on sale of loans, net	1,866	1,480	1,854
SBA loan servicing fees, net	79	80	(242)
Change in fair value on investment in BFG	(900)	(200)	200
Credit enhancement income	45,392	14,944	8,762
Bargain purchase gain	6,456	—	—
Other miscellaneous income	1,359	1,567	1,298
Total non-interest income	60,825	23,122	18,052
Non-interest expense			
Salaries and employee benefits	12,483	11,062	10,814
Professional services	1,426	1,146	876
Occupancy and equipment expenses	440	417	456
Credit enhancement servicing expense	4,284	1,393	248
Credit enhancement guarantee expense	20,049	11,337	1,720
Other operating expenses	4,062	2,951	3,335
Total non-interest expense	42,744	28,306	17,449
Income from continuing operations before income taxes	13,252	2,274	6,411
Provision for income taxes from continuing operations	2,830	512	1,520
Net income from continuing operations	10,422	1,762	4,891
Income (loss) from discontinued operations, net of tax	(376)	371	—
Net income	**$ 10,046**	**$ 2,133**	**$ 4,891**
Earnings per share, basic:			
Earnings from continuing operations	$ 0.79	$ 0.13	$ 0.36
Earnings (loss) from discontinued operations	(0.03)	0.03	—
Net income per common share, basic	$ 0.76	$ 0.16	$ 0.36
Earnings per share, diluted:			
Earnings from continuing operations	$ 0.76	$ 0.13	$ 0.34
Earnings (loss) from discontinued operations	(0.03)	0.02	—
Net income per common share, diluted	$ 0.73	$ 0.15	$ 0.34
Weighted average shares outstanding, basic	13,154,827	13,112,580	12,859,264
Weighted average shares outstanding, diluted	13,662,812	13,673,167	13,615,354
Shares outstanding at end of period	13,743,494	13,687,680	13,571,090

FINWISE BANCORP
AVERAGE BALANCES, YIELDS, AND RATES
($ in thousands; Unaudited)

	Three Months Ended								
	9/30/2026			6/30/2026			9/30/2025		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-earning assets:									
Interest-bearing deposits	$ 91,527	$ 891	3.86%	$ 96,659	$ 888	3.68%	$ 97,404	$ 1,074	4.37%
Investment securities	34,567	315	3.62%	36,804	337	3.67%	39,497	360	3.61%
Strategic Program loans held-for-sale	126,691	5,315	16.64%	118,401	5,430	18.39%	132,314	6,219	18.65%

Loans held-for-investment	608,198	41,245	26.90%	582,171	27,324	18.83%	542,595	16,313	11.93%
Total interest-earning assets[1]	860,983	47,766	22.01%	834,035	33,979	16.34%	811,810	23,966	11.71%
Noninterest-earning assets	72,080			68,968			73,023		
Total assets	$ 933,063			$ 903,003			$ 884,833		
Interest-bearing liabilities:									
Demand	$ 81,283	$ 738	3.60%	$ 84,096	$ 733	3.49%	$ 69,941	$ 630	3.57%
Savings	12,958	16	0.48%	10,010	20	0.79%	12,271	54	1.75%
Money market accounts	21,255	186	3.47%	20,972	180	3.44%	24,629	237	3.82%
Certificates of deposit	422,854	4,343	4.07%	432,145	4,297	3.99%	417,059	4,438	4.22%
Total deposits	538,350	5,283	3.89%	547,223	5,230	3.83%	523,900	5,359	4.06%
Other borrowings	—	—	—%	—	—	—%	—	—	—%
Total interest-bearing liabilities[1]	538,350	5,283	3.89%	547,223	5,230	3.83%	523,900	5,359	4.06%
Noninterest-bearing deposits	162,609			124,187			140,499		
Noninterest-bearing liabilities	32,110			34,462			36,552		
Shareholders' equity	199,994			197,131			183,882		
Total liabilities and shareholders' equity	$ 933,063			$ 903,003			$ 884,833		
Net interest income and interest rate spread		$42,483	18.12%		$28,749	12.51%		$18,607	7.65%
Net interest margin			19.58%			13.83%			9.09%
Ratio of average interest-earning assets to average interest-bearing liabilities			159.93%			152.41%			154.96%

[1] Includes interest income of $1.0 million and $0.8 million and interest expense of $0.4 million and $0.5 million from discontinued operations for the three months ended September 30, 2026 and June 30, 2026, respectively. There were no discontinued operations for the three months ended September 30, 2025.

Reconciliation of GAAP to Non-GAAP Financial Measures
(Unaudited)

Efficiency ratio	**Three Months Ended**		
($ in thousands)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Total non-interest expense	$ 42,744	$ 28,306	$ 17,449
Net interest income	41,918	28,401	18,607
Total non-interest income	60,825	23,122	18,052
Operating revenue	$ 102,743	$ 51,523	$ 36,659
Efficiency ratio from continuing operations	41.6%	54.9%	47.6%

The following table presents the impact of the credit enhancement program on our efficiency ratio:

Adjusted efficiency ratio	**Three Months Ended**		
($ in thousands)	**9/30/2026**	**6/30/2026**	**9/30/2025**
Non-interest expense (GAAP)	$ 42,744	$ 28,306	$ 17,449
Less: credit enhancement program expenses	24,333	12,730	1,968
Adjusted non-interest expense	18,411	15,576	15,481
Net interest income (GAAP)	41,918	28,401	18,607
Less: credit enhancement program expenses	24,333	12,730	1,968
Adjusted net interest income	17,585	15,671	16,639
Total non-interest income (GAAP)	60,825	23,122	18,052
Less: credit enhancement income	45,392	14,944	8,762
Adjusted non-interest income	15,433	8,178	9,290
Adjusted operating revenue	$ 33,018	$ 23,849	$ 25,929
Adjusted efficiency ratio from continuing operations	55.8%	65.3%	59.7%

The following table reconciles the total provision for credit losses from continuing operations on a GAAP basis to a non-GAAP measure that excludes amounts attributable to credit-enhanced Strategic Program loans:

	Three Months Ended

($ in thousands)	9/30/2026	6/30/2026	9/30/2025
Total provision for credit losses from continuing operations (GAAP):	$ 46,747	$ 20,943	$ 12,799
Less: Strategic Program loans - with credit enhancement	45,392	14,944	8,850
Provision for credit losses, net of Strategic Program loans - with credit enhancement	$ 1,355	$ 5,999	$ 3,949

Net income from continuing operations before provision for non-credit enhanced

	Three Months Ended		
($ in thousands)	9/30/2026	6/30/2026	9/30/2025
Income from continuing operations before income taxes (GAAP)	$ 13,252	$ 2,274	$ 6,411
Provision for credit losses, net of Strategic Program loans - with credit enhancement (see non-GAAP table above)	1,355	5,999	3,949
Income from continuing operations before income taxes and provision for non-credit enhanced	$ 14,607	$ 8,273	$ 10,360

FinWise has entered into agreements with certain of its Strategic Program service providers pursuant to which they provide credit enhancement on loans which protects the Bank by indemnifying or reimbursing the Bank for incurred credit and fraud losses. We estimate and record a provision for expected losses for these Strategic Program loans in accordance with GAAP, which requires estimation of the provision without consideration of the credit enhancement. When the provision for expected losses over the life of the loans that are subject to such credit enhancement is recorded, a credit enhancement asset reflecting the future recovery of those estimated credit losses pursuant to the strategic partner's guarantee to assume the Bank's credit losses on each of the loans in the respective guaranteed portfolio is also recorded on the balance sheet in the form of non-interest income (credit enhancement income). Reimbursement or indemnification for incurred losses is provided for in the form of a deposit reserve account that is replenished periodically by the respective Strategic Program service provider. The credit enhancement asset is reduced as credit enhancement payments and recoveries are received from the Strategic Program service provider or taken from its cash reserve account. If the Strategic Program service provider is unable to fulfill its contracted obligations under its credit enhancement agreement, then the Bank could be exposed to the loss of the reimbursement and credit enhancement income as a result of this counterparty risk. In the event the Strategic Program service provider is not able to perform according to the contractual terms, the Bank is entitled to receive all the income on the loans. The Bank incurs expenses for the amounts owed to the strategic partner for the credit guarantee and for servicing of the credit enhanced portfolio, if applicable (credit enhancement program expenses). See the following reconciliations of GAAP to non-GAAP measures for the impact of the credit enhancement on our financial condition and results. Note that these amounts are supplemental and are not a substitute for an analysis based on GAAP measures.

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

	As of and for the Three Months Ended 9/30/2026			As of and for the Three Months Ended 6/30/2026			As of and for the Three Months Ended 9/30/2025		
($ in thousands; unaudited)	Total Average Loans HFI	Total Interest Income on Loans HFI	Average Yield on Loans HFI	Total Average Loans HFI	Total Interest Income on Loans HFI	Average Yield on Loans HFI	Total Average Loans HFI	Total Interest Income on Loans HFI	Average Yield on Loans HFI
Before adjustment for credit enhancement	$ 608,198	$ 41,245	26.90%	$ 582,171	$ 27,324	18.83%	$ 542,595	$ 16,313	11.93%
Less: credit enhancement program expenses[1]		(24,454)			(13,286)			(1,968)	
Net of adjustment for credit enhancement program expenses	$ 608,198	$ 16,791	10.95%	$ 582,171	$ 14,038	9.67%	$ 542,595	$ 14,345	10.49%

[1] Includes credit enhancement expenses of $0.1 million and $0.6 million from discontinued operations for the three months ended September 30, 2026 and June 30, 2026, respectively. There were no discontinued operations for the three months ended September 30, 2025.

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

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

	As of and for the Three Months Ended 9/30/2026			As of and for the Three Months Ended 6/30/2026			As of and for the Three Months Ended 9/30/2025		
($ in thousands; unaudited)	Total Average Interest-Earning Assets	Net Interest Income	Net Interest Margin	Total Average Interest-Earning Assets	Net Interest Income	Net Interest Margin	Total Average Interest-Earning Assets	Net Interest Income	Net Interest Margin
Before adjustment for credit enhancement	$ 860,983	$ 42,483	19.58%	$ 834,035	$ 28,749	13.83%	$ 811,810	$ 18,607	9.09%

Less: credit enhancement program expenses[1]		(24,454)			(13,286)			(1,968)	
Net of adjustment for credit enhancement program expenses	$ 860,983	$ 18,029	8.31%	$ 834,035	$ 15,463	7.44%	$ 811,810	$ 16,639	8.13%

[1] Includes credit enhancement expenses of $0.1 million and $0.6 million from discontinued operations for the three months ended September 30, 2026 and June 30, 2026, respectively. There were no discontinued operations for the three months ended September 30, 2025.

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

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

($ in thousands; unaudited)	**Three Months Ended September 30, 2026**	**Three Months Ended June 30, 2026**	**Three Months Ended September 30, 2025**
Total non-interest expense from continuing operations	$ 42,744	$ 28,306	$ 17,449
Less: credit enhancement program expenses	(24,333)	(12,730)	(1,968)
Total non-interest expense less credit enhancement program expenses	$ 18,411	$ 15,576	$ 15,481

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

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

($ in thousands; unaudited)	**Three Months Ended September 30, 2026**	**Three Months Ended June 30, 2026**	**Three Months Ended September 30, 2025**
Total non-interest income from continuing operations	$ 60,825	$ 23,122	$ 18,052
Less: credit enhancement income	(45,392)	(14,944)	(8,762)
Total non-interest income less credit enhancement income	$ 15,433	$ 8,178	$ 9,290

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

($ in thousands; unaudited)	**As of September 30, 2026**	**As of June 30, 2026**	**As of September 30, 2025**
Allowance for credit losses	$ 79,821	$ 43,851	$ 25,778
Less: allowance for credit losses related to credit enhanced loans	(64,247)	(28,322)	(11,214)
Allowance for credit losses excluding the effect of the allowance for credit losses related to credit enhanced loans	$ 15,574	$ 15,529	$ 14,564

The allowance for credit losses excluding the effect of the allowance for credit losses related to credit enhanced loans is a non-GAAP measure that reflects the effect of the credit enhancement program on the allowance for credit losses. The total outstanding balance of loans held-for-investment with credit enhancement as of September 30, 2026, June 30, 2026, and September 30, 2025 was approximately $146.2 million, $74.2 million, and $41.4 million, respectively.