

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 25, 2026**

FS BANCORP, INC.

(Exact name of registrant as specified in its charter)

Washington
(State or other jurisdiction
of incorporation)

001-35589
(Commission
File Number)

45-4585178
(I.R.S. Employer
Identification No.)

6920 220th Street SW
Mountlake Terrace, Washington
(Address of principal executive offices)

98043
(Zip Code)

Registrant's telephone number, including area code: **(425) 771-5299**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 8.01 Other Events

On February 25, 2026, FS Bancorp, Inc., ("FS Bancorp") entered into a definitive agreement (the "Agreement") with Pacific West Bancorp, an Oregon corporation ("Pacific West"), pursuant to which Pacific West will be merged with and into FS Bancorp (the "Merger"), and immediately thereafter Pacific West's bank subsidiary, Pacific West Bank, will be merged with and into the FS Bancorp's subsidiary bank, 1st Security Bank of Washington.

Under terms of the Agreement, the aggregate consideration will consist of 430,176 shares of FS Bancorp common stock and \$16,832,742 in cash. Pacific West shareholders will have the right to elect shares of FS Bancorp common stock or cash, subject to proration as provided in the Agreement. Based on the closing price of FS Bancorp common stock of \$41.26 on February 25, 2026, the consideration value for Pacific West was \$34.6 million, or approximately \$12.52 per share. Upon completion of the merger, Pacific West shareholders would hold, in aggregate, approximately 5.4% of FS Bancorp's outstanding common stock.

The transaction is subject to customary closing conditions, including the receipt of regulatory approvals and approval of the Agreement by the shareholders of Pacific West, and is expected to be completed in the third quarter of 2026.

Forward-Looking Statements

This press release contains forward-looking statements regarding FS Bancorp, Pacific West, the proposed merger and the combined company after the close of the transaction that are intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements involve inherent risks, uncertainties and contingencies, many of which are difficult to predict and are generally beyond the control of FS Bancorp, Pacific West and the combined company. We caution readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. In addition to factors previously disclosed in reports filed by FS Bancorp and Pacific West with the Securities and Exchange Commission (the "SEC"), risks and uncertainties for each institution and the combined institution include, but are not limited to, the following factors: the expected cost savings, synergies and other financial benefits from the merger might not be realized within the expected time frames or at all; governmental approval of the merger may not be obtained or adverse regulatory conditions may be imposed in connection with governmental approvals of the merger; conditions to the closing of the merger may not be satisfied; the shareholders of Pacific West may fail to approve the consummation of the merger; the integration of the combined company, including personnel changes/retention, might not proceed as planned; and the combined company might not perform as well as expected. All forward-looking statements included in this communication are based on information available at the time of the communication. FS Bancorp and Pacific West undertake no obligation to revise or publicly release any revision or update to these forward-looking statements to reflect new information, future events or circumstances or otherwise that occur after the date on which such statements were made. Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Additional Information

FS Bancorp will file a registration statement on Form S-4 with the SEC in connection with the proposed transaction. The registration statement will include a proxy statement of Pacific West that also constitutes a prospectus of FS Bancorp, which will be sent to the shareholders of Pacific West. Pacific West

shareholders are advised to read the proxy statement/prospectus when it becomes available because it will contain important information about FS Bancorp, Pacific West and the proposed transaction. When filed, this document and other documents relating to the merger filed by FS Bancorp can be obtained free of charge from the SEC's website at www.sec.gov. These documents also can be obtained free of charge by accessing FS Bancorp's website at www.fsbwa.com under the tab "Investor Relations" and then under "SEC Filings." Alternatively, these documents, when available, can be obtained free of charge from FS Bancorp upon written request to FS Bancorp, Inc., Attn: Investor Relations, 6920 220th Street SW, Mountlake Terrace, Washington 98043 or by calling (425) 771-5299.

Participants In This Transaction

FS Bancorp, Pacific West and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Pacific West shareholders in connection with the proposed transaction under the rules of the SEC. Information about the directors and executive officers of FS Bancorp may be found in the definitive proxy statement of FS Bancorp filed with the SEC by FS Bancorp on April 7, 2025. This definitive proxy statement can be obtained free of charge from the sources indicated above. Information about the directors and executive officers of Pacific West will be included in the proxy statement/prospectus when filed with the SEC. Additional information regarding the interests of these participants will also be included in the proxy statement/prospectus regarding the proposed transaction when it becomes available.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Joint Press Release dated February 25, 2026
99.2	Investor Presentation Material
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 26, 2026

FS BANCORP, INC.

/s/ Phil Whittington

Phil Whittington
Chief Financial Officer

FS Bancorp, Inc. and Pacific West Bancorp to Merge

MOUNTLAKE TERRACE, Wash., Feb. 25, 2026 (GLOBE NEWSWIRE) -- FS Bancorp, Inc. ("FS Bancorp") (NASDAQ: FSBW) and Pacific West Bancorp ("Pacific West") (OTCPK: PWBK) announced today the signing of a definitive merger agreement and plan of merger (the "Agreement") whereby Pacific West will merge into FS Bancorp in a stock and cash transaction valued at approximately \$34.6 million. As of December 31, 2025, on a pro forma consolidated basis, the combined company would have approximately \$3.6 billion in assets, \$3.0 billion in loans, \$3.0 billion in deposits, and 31 branch locations throughout the Pacific Northwest.

Pacific West, headquartered in West Linn, Oregon, is the holding company for Pacific West Bank, with approximately \$386 million in assets as of December 31, 2025. Pacific West Bank primarily serves the Greater Portland metropolitan area with four branch locations in Portland, Vancouver, West Linn, and Lake Oswego.

Matthew Mullet, President of FS Bancorp and Chief Executive Officer of 1st Security Bank of Washington, commented, "This partnership with Pacific West represents a compelling step forward in our continued expansion across the Pacific Northwest. Pacific West has built a customer focused commercial banking franchise with deep roots in the Portland-Vancouver metro area. Combining our organizations brings together complementary strengths that enhance our ability to serve our customers and communities."

Jason Wessling, President and Chief Executive Officer of Pacific West, stated, "We are excited to join FS Bancorp, a company that shares our commitment to relationship banking and community engagement. This merger provides Pacific West with access to broader capital resources, enhanced technology, and a wider suite of products and services that will benefit our customers, employees, and the communities we serve."

Under terms of the Agreement, the aggregate consideration will consist of 430,176 shares of FS Bancorp common stock and \$16,832,742 in cash. Pacific West shareholders will have the right to elect shares of FS Bancorp common stock or cash, subject to proration as provided in the Agreement. Based on the closing price of FS Bancorp common stock of \$41.26 on February 25, 2026, the consideration value for Pacific West was \$34.6 million, or approximately \$12.52 per share. Upon completion of the merger, Pacific West shareholders would hold, in aggregate, approximately 5.4% of FS Bancorp's outstanding common stock.

The transaction is expected to be immediately accretive to FS Bancorp's earnings per share, with projected 2027 EPS accretion of 7.4%, and dilutive to FS Bancorp's tangible book value with projected TBV dilution at close of 2.2% and an earnback period of approximately 2.4 years.

The boards of directors of FS Bancorp and Pacific West have unanimously approved the proposed merger. The closing is expected to occur in the third quarter of 2026 and is subject to customary closing considerations, including obtaining approval by Pacific West's shareholders and bank regulatory authorities.

D.A. Davidson & Co. served as financial advisor to FS Bancorp and Breyer & Associates PC served as legal counsel. Raymond James & Associates, Inc. served as financial advisor to Pacific West and Buchalter APC served as legal counsel.

About FS Bancorp, Inc.

FS Bancorp, Inc., a Washington corporation, is the holding company for 1st Security Bank of Washington. The Bank offers a range of loan and deposit services primarily to small- and middle-market businesses and individuals in Washington and Oregon. It operates through 27 Bank branches, one headquarters office that provides loans and deposit services, and loan production offices in various suburban communities. These offices are in the greater Puget Sound area, the Kennewick-Pasco-Richland metropolitan area of Washington, also known as the Tri-Cities, and in Vancouver, Washington.

About Pacific West Bancorp

Pacific West Bank was formed in 2004 by local businesspeople to deliver loan and deposit product solutions through experienced and professional bankers to businesses, nonprofits, professionals, and individuals. The Bank serves the greater Portland-Vancouver Metro area with offices strategically located in Downtown Portland, Lake Oswego, West Linn, and Vancouver, WA.

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Investor Contacts**FS Bancorp, Inc.**

Phone: (425) 771-5299

Matthew D. Mullet, President of FS Bancorp and Chief Executive Officer of 1st Security Bank

Phillip D. Whittington, Chief Financial Officer of FS Bancorp

Pacific West Bancorp

Phone: (503) 912-2101

Jason Wessling, President and Chief Executive Officer

1ST SECURITY BANK



MERGER WITH PACIFIC WEST BANCORP



1907

Predecessor to Anchor Bank founded

2017

Completed Anchor Bancorp merger adding nine branches

2026

Announced merger with Pacific West Bancorp, welcoming four branches in the Portland market

2016

Completed a four branch acquisition from Bank of America

2023

Completed acquisition of five Columbia Bank branches in Oregon and two in Washington

“Build a truly great place to work and bank.”

**-1st Security Bank
Vision Statement**

February 25, 2026

Disclosure Statement

The information included in this presentation is confidential and may not be reproduced or redistributed, passed on or divulged, directly or indirectly, to any other person. FS Bancorp, Inc. (the "Company" or "FS Bancorp") reserves the right to request the return of this presentation at any time.

Forward Looking Statements

This presentation contains forward-looking statements regarding FS Bancorp, Pacific West Bancorp ("Pacific West"), the proposed merger and the combined company after the close of the transaction that are intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements involve inherent risks, uncertainties and contingencies, many of which are difficult to predict and are generally beyond the control of FS Bancorp, Pacific West and the combined company. We caution readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. In addition to factors previously disclosed in reports filed by FS Bancorp and Pacific West with the Securities and Exchange Commission (the "SEC"), risks and uncertainties for each institution and the combined institution include, but are not limited to, the following factors: the expected cost savings, synergies and other financial benefits from the merger might not be realized within the expected time frames or at all; governmental approval of the merger may not be obtained or adverse regulatory conditions may be imposed in connection with governmental approvals of the merger; conditions to the closing of the merger may not be satisfied; the shareholders of Pacific West may fail to approve the consummation of the merger; the integration of the combined company, including personnel changes/retention, might not proceed as planned; and the combined company might not perform as well as expected. All forward-looking statements included in this communication are based on information available at the time of the communication. FS Bancorp and Pacific West undertake no obligation to revise or publicly release any revision or update to these forward-looking statements to reflect new information, future events or circumstances or otherwise that occur after the date on which such statements were made. Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

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Transaction Highlights

Pro forma assets of approximately \$3.6 billion at close—deepening Pacific Northwest market presence

Compelling Strategic Rationale

- Strengthens FSBW banking footprint in Portland MSA by adding \$386 million in assets
- Attractive opportunity to expand in Portland MSA— aligns with FSBW strategy of adding scale in business-dense markets
- Compatible and complementary to FSBW— business banking expertise with SMBs, non-profits and professional client segments
- Pacific West Bank is the last bank headquartered in Portland MSA

Attractive Banking Franchise

- Enhances FSBW's deposit base with 92% non-CDs and slightly lower cost of deposits of 2.18%
- Scalable Digital Division providing banking-as-a-service to fintech and embedded finance ecosystems
- Adds 4 branch locations with greater coverage of Portland metro area
- Logical geographic fit with FSBW

Compelling Financial Metrics

- Price/tangible book value of 95%⁽¹⁾
- Pay-to-trade multiple of 90%⁽¹⁾
- Meaningful EPS accretion of 7.4% in 2027⁽²⁾
- At close, will incur dilution to tangible book value of 2.2%
- TBV earnback period of approximately 2.4 years
- FSBW remains well-capitalized with strong pro forma capital ratios

Source: S&P Capital IQ, Pro, financial information as of the quarter ended 12/31/2025

(1) Based on FSBW closing stock price as of 2/25/2026

(2) Based on average street estimates for FSBW and management projections for PWBK

Overview of Pacific West Bancorp (OTCPK: PWBK)

Company Highlights

- Pacific West Bancorp is headquartered in West Linn, Oregon and is the holding company for Pacific West Bank
- Operates 4 branch locations in Portland, Vancouver, West Linn, and Lake Oswego
- Maintains a business-oriented relationship model, centered on local small businesses and professional clients
- Banking-as-a-service platform

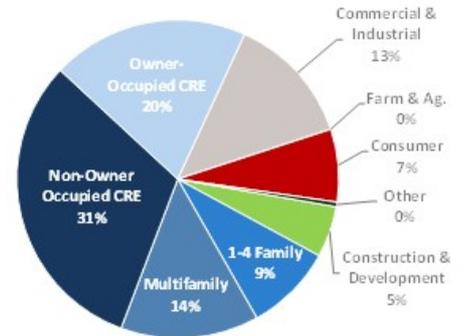
Financial Highlights as of December 31, 2025

Total Assets	\$ 386,032
Gross Loans	\$ 276,566
Total Deposits	\$ 342,244
Loan / Deposit Ratio	80.8%
Tang. Common Equity / Tang. Assets	9.24%
Net Interest Margin	3.37%
Yield on Loans ⁽¹⁾	5.97%
Cost of Deposits ⁽¹⁾	2.18%

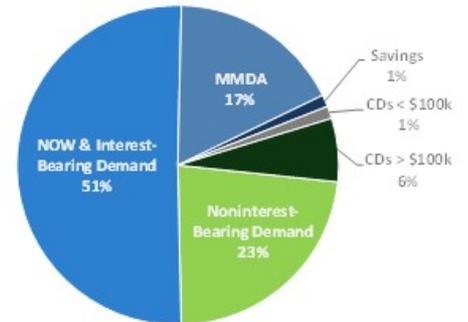
Source: S&P Capital IQ Pro, GAAP data as of the quarter ended 12/31/2025
 Note: All dollars in thousands
 (1) Bank-level data as of the quarter ended 12/31/2025

Loan and Deposit Composition as of December 31, 2025

Loan Composition⁽¹⁾

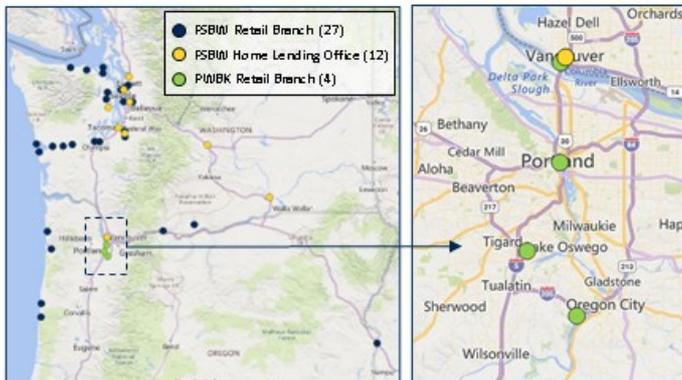


Deposit Composition⁽¹⁾



Expansion in Greater Portland MSA

Pro Forma Deposit Footprint



Deposit Market Share in Portland-Vancouver-Hillsboro MSA

Rank	Institution (State)	Number of Branches	Deposits in Market	1-Yr Deposit Growth	Market Share
1	U.S. Bancorp (MN)	59	\$ 15,427,648	+1.3%	23.6%
2	Bank of America Corporation (NC)	36	\$ 14,178,020	+3.6%	21.7%
3	JPMorgan Chase & Co. (NY)	58	\$ 8,984,480	-2.1%	13.7%
4	Wells Fargo & Co. (CA)	47	\$ 8,810,247	-1.0%	13.5%
5	Columbia Banking System Inc. (WA)	44	\$ 5,512,543	+0.3%	8.4%
6	KeyCorp (OH)	41	\$ 4,806,434	+3.8%	7.3%
7	Bank of Montreal	16	\$ 1,081,544	-26.5%	1.7%
8	Riverview Bancorp Inc. (WA)	14	\$ 1,044,401	-1.3%	1.6%
9	Heritage Financial Corp. (WA)	6	\$ 841,407	+7.0%	1.3%
10	Webd Inc. (WA)	7	\$ 693,381	-1.6%	1.1%
11	Banner Corp. (WA)	7	\$ 692,302	+11.7%	1.1%
12	First FS&LA of McMinnville (OR)	6	\$ 665,292	+1.4%	0.9%
13	W.T.B. Financial Corp. (WA)	2	\$ 397,949	+14.3%	0.6%
14	Beneficial State Foundation (CA)	4	\$ 381,720	+5.4%	0.6%
15	GWY LLC (WA)	2	\$ 373,877	+4.4%	0.6%
16	Pro Forma FSBW + PWBK ⁽¹⁾	5	\$ 318,779	+28.7%	0.5%
16	Pacific West Bancorp (OR)	4	\$ 318,779	+28.7%	0.5%
26	FS Bancorp Inc. (WA)	1	\$ -	-	0.0%
Total Pro Forma Institutions in Market Out of 27 Institutions		377	\$ 65,433,720	+0.8%	100.0%

Market Demographics

Greater Portland MSA⁽²⁾

Oregon

Population	2,547,027	4,271,804
Unemployment Rate	4.8%	4.9%
Median Household Income	\$ 104,949	\$ 89,847
HHI Projection Change	13.1%	12.8%
Poverty Rate	9.2%	11.8%
Higher Education	43.8%	36.2%

Top Portland Employers



Source: S&P Capital IQ, Pro, FDIC Summary of Deposits data as of 6/30/2025, U.S. Census data, Census Reporter, Greater Portland, Inc.

Note: All dollars in thousands

(1) Excludes merger adjustments

(2) Greater Portland MSA defined as Portland-Vancouver-Hillsboro MSA

Transaction Overview

Structure

- Pacific West Bancorp ("PWBK") will merge into FS Bancorp, Inc. ("FSBW")
- Pacific West Bank will merge into 1st Security Bank

Consideration

- 430,176 shares of FSBW common stock and \$16.8 million in cash
- 51% stock consideration / 49% cash consideration for PWBK shareholders

Transaction Value⁽¹⁾

- \$34.6 million in aggregate consideration for PWBK

Transaction Multiples⁽¹⁾

- Price / Tangible Book Value: 95%
- Price / 2027E Earnings: 22.1x
- Price / 2027E Earnings + Fully Realized Cost Savings: 7.8x

Ownership and Board

- Pro forma ownership of 94.6% for FSBW / 5.4% for PWBK
- No changes to FSBW Board of Directors

Approvals

- Subject to PWBK shareholder approvals and customary regulatory approvals
- No financing contingencies to complete the transaction

Timing

- Anticipated closing in Q3 2026

⁽¹⁾ Based on FSBW closing stock price as of 2/25/2026

Key Transaction Assumptions

CECL

- CECL reserve of \$4.6 million, or 1.65% of gross loans
- Allocation of 82% non-PCD and 18% PCD

Investment Securities

- AFS securities write-down of \$2.3 million (accreted over 5.4 years)
- HTM securities write-down of \$254 thousand (accreted over 5.4 years)

Fair Value Marks

- Loan discount of \$4.2 million, or 1.51% of gross loans
- Time-deposits write-down of \$18 thousand
- Other borrowings write-up of \$6 thousand

Cost Savings

- Cost savings of 30% of PWBK's non-interest expense estimates
 - 50% of cost savings realized in 2nd half 2026 and 100% in 2027 thereafter
 - \$696 thousand of cost savings in 2026 and \$3.6 million in 2027

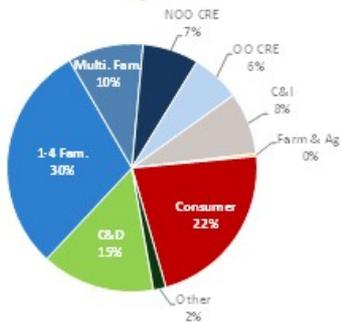
Other Assumptions

- No revenue enhancements included in model
- One-time transaction expenses of \$5.6 million, pre-tax
- Fixed assets write-up of \$1.7 million (amortized over 20.0 years)
- Core deposit intangible of \$4.0 million, or 1.27% of non-time deposits created (amortized over 10.0 years)
- Pre-tax cost of cash of 3.50%

Loan Portfolio Composition and Comparison

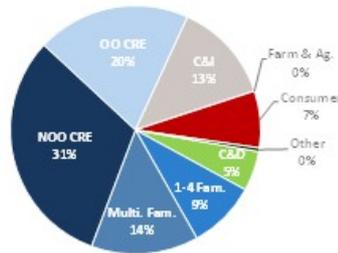
	FSBW		PWBK		Pro Forma ⁽¹⁾	
Construction & Development	\$	396,707 15%	\$	14,428 5%	\$	411,135 14%
1-4 Family	\$	803,265 30%	\$	24,511 9%	\$	827,776 28%
Multi family	\$	263,189 10%	\$	38,496 14%	\$	301,685 10%
Non-Owner Occupied CRE	\$	196,188 7%	\$	86,566 31%	\$	282,754 10%
Owner-Occupied CRE	\$	171,417 6%	\$	54,964 20%	\$	226,401 8%
Commercial & Industrial	\$	218,911 8%	\$	36,228 13%	\$	255,139 9%
Farm & Ag.	\$	9,068 0%	\$	91 0%	\$	9,159 0%
Consumer	\$	596,881 22%	\$	20,417 7%	\$	617,298 21%
Other	\$	43,239 2%	\$	1,311 0%	\$	44,550 1%
Total Loans	\$	2,698,865 100%	\$	277,032 100%	\$	2,975,897 100%

FSBW



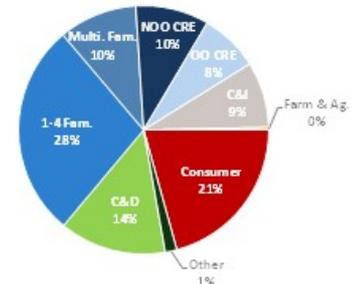
Yield on Loans: 7.00%

PWBK



Yield on Loans: 5.97%

Pro Forma⁽¹⁾



Yield on Loans: 6.91%

Source: S&P Capital IQ, Pro, bank-level data as of the quarter ended 12/31/2025

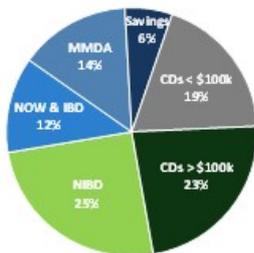
Note: All dollars in thousands

(1) Excludes merger adjustments

Deposit Portfolio Composition and Comparison

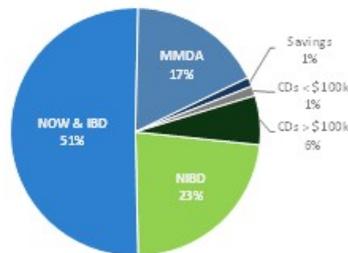
	FSBW		PWBK		Pro Forma ⁽¹⁾	
Noninterest-Bearing Demand	\$	675,799 25%	\$	78,712 23%	\$	754,511 25%
NOW & Interest-Bearing Demand	\$	335,513 12%	\$	173,532 51%	\$	509,045 17%
MMDA	\$	385,636 14%	\$	59,736 17%	\$	445,372 15%
Savings	\$	164,040 6%	\$	4,122 1%	\$	168,162 6%
CDs < \$100k	\$	512,808 19%	\$	4,327 1%	\$	517,135 17%
CDs > \$100k	\$	617,588 23%	\$	21,900 6%	\$	639,488 21%
Total Deposits	\$	2,691,384 100%	\$	342,329 100%	\$	3,033,713 100%
Non-CDs	\$	1,560,988 58%	\$	316,102 92%	\$	1,877,090 62%

FSBW



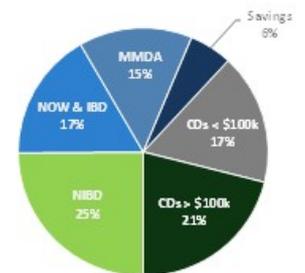
Cost of Deposits: 2.26%

PWBK



Cost of Deposits: 2.18%

Pro Forma⁽¹⁾



Cost of Deposits: 2.25%

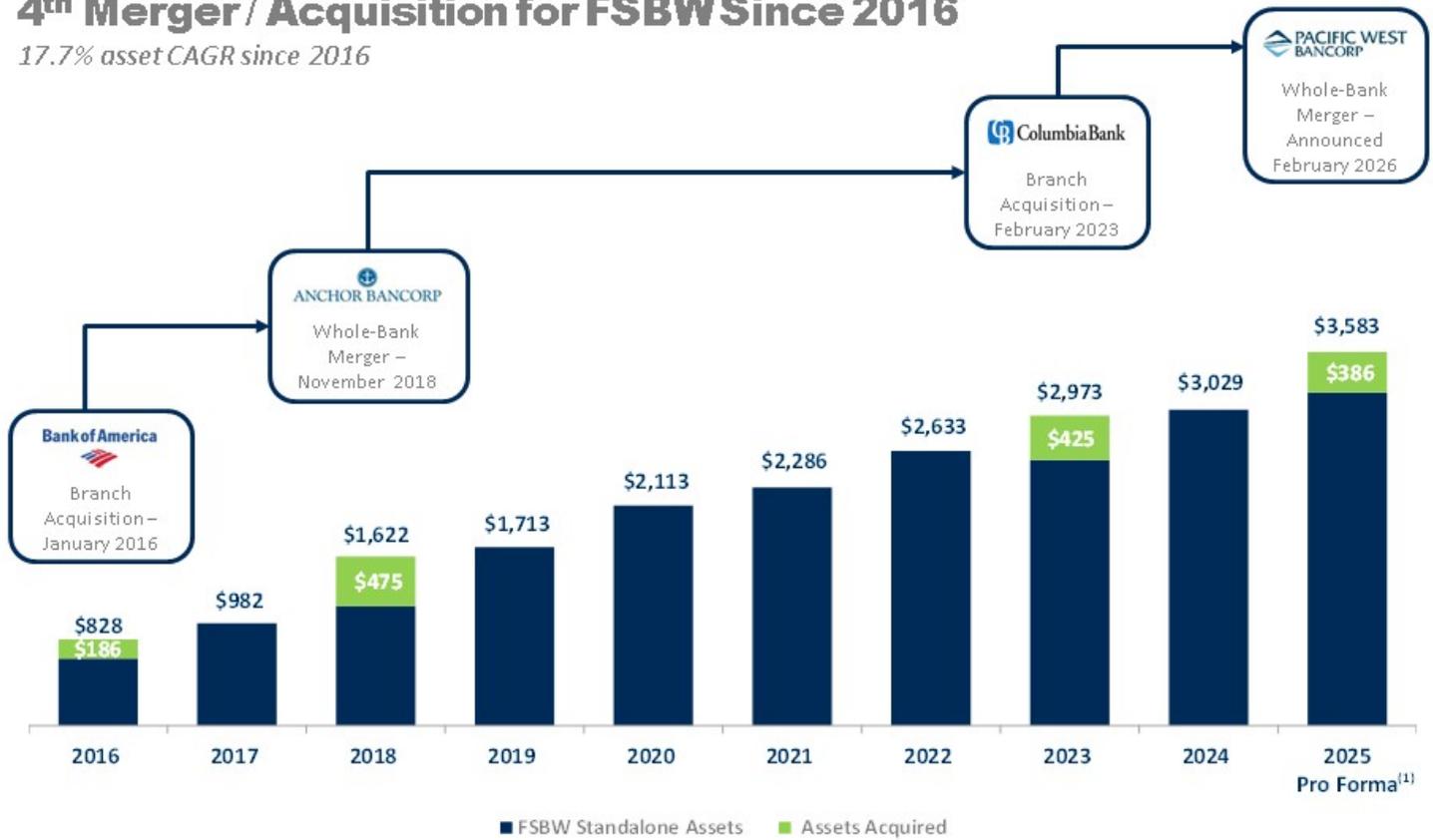
Source: S&P Capital IQ Pro, bank-level data as of the quarter ended 12/31/2025

Note: All dollars in thousands

(1) Excludes merger adjustments

4th Merger / Acquisition for FSBW Since 2016

17.7% asset CAGR since 2016



Source: S&P Capital IQ Pro, GAAP data as of the year ended 12/31/2025

Note: All dollars in millions

(1) Excludes merger adjustments

Comprehensive Due Diligence to Minimize Execution Risk

■ Due Diligence Process

- Conducted a thorough review of all key operating areas of PWBK
- Due diligence led by FSBW executive leadership and department heads, along with 3rd parties for Fair Value and Credit analysis
- Performed an in-depth review on PWBK's Digital Division with significant coverage of digital partnerships
- Conservative approach to credit review, which included write-downs on certain problem loans
- 58% of total loan portfolio was reviewed, including 100% of criticized loans

Due Diligence Scope

Credit & Underwriting

Finance & Accounting

Commercial Lending

Operations

Digital Division

Retail Banking

Investment Securities

Audit

Deposits

Risk Management

Human Resources

Legal, Compliance & Regulatory

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