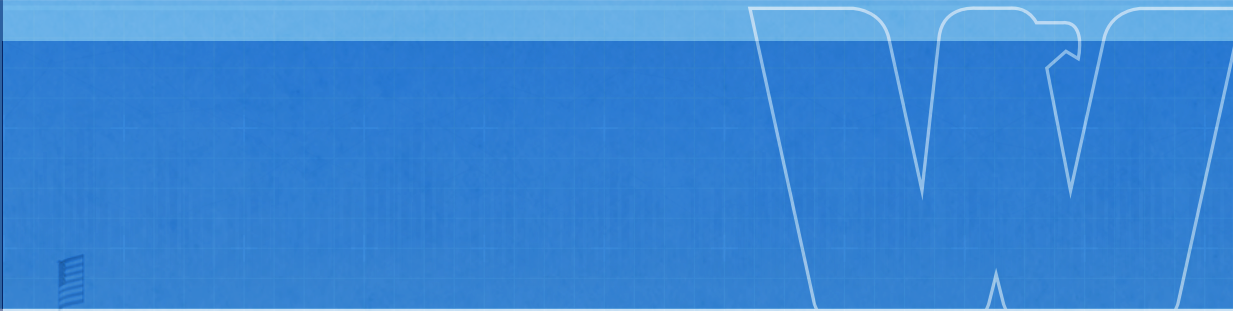
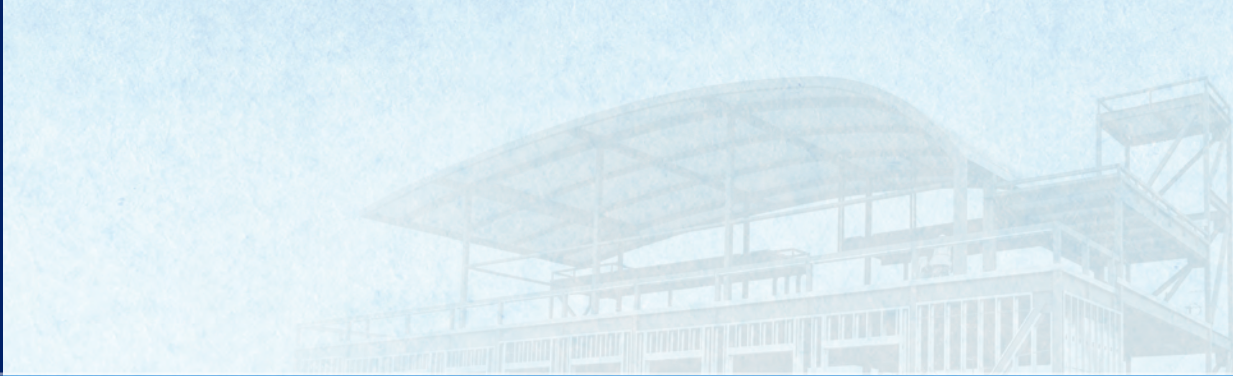


BUILDING TOWARD



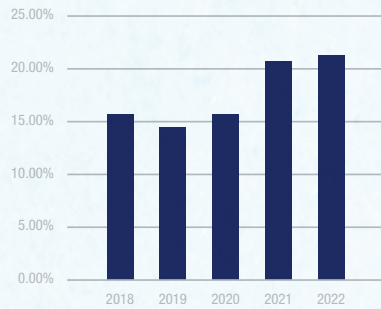
2022 ANNUAL REPORT

**W** West Bancorporation

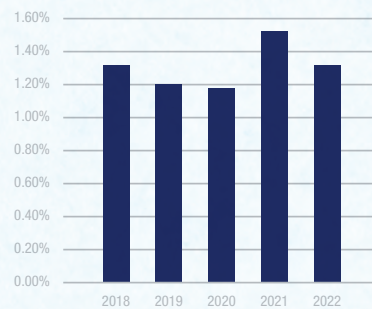
STRONG  
FUTURES

# 2022 FINANCIAL PERFORMANCE

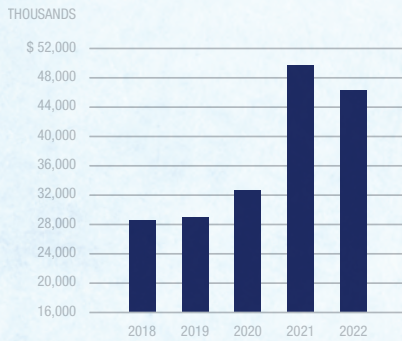
## Return on Average Equity



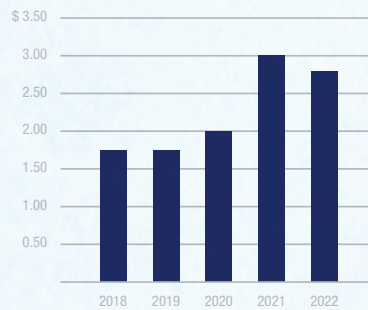
## Return on Average Assets



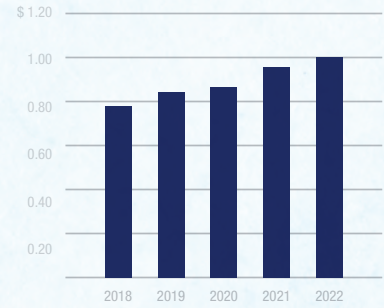
## Net Income



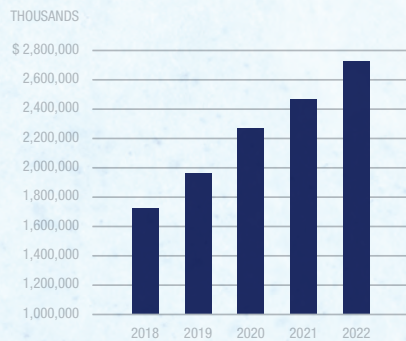
## Earnings Per Share



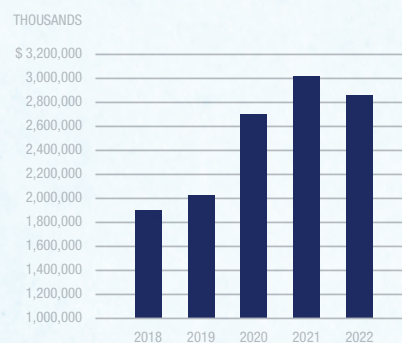
## Dividends Per Share



## Total Loans



## Total Deposits



Dear Stockholders:

Our company has had another strong year, our second best on record. We believe that the key to our continuing success is not about being a certain size by a certain time. It is instead about having the best team, clarity around what is most important, and being purposeful about doing our best every day while having fun doing it. We do not set specific growth goals. Our focus is on having the right players on our team, providing a clear vision and strategy, supporting and engaging our communities, and consistency of what every West Banker does every day on purpose.



In 2022, we completed construction of our new bank building in St. Cloud, Minnesota, and began construction of our new corporate headquarters in West Des Moines, Iowa, and our new bank building in Mankato, Minnesota. These buildings represent our commitment to our customers, employees and communities as we build on our successes and invest in our future.

Our credit quality remains pristine, and we continue to see opportunities for high-quality loan growth, although at a slower pace than in recent years. We remain diligent in monitoring and managing our credit quality as we expect economic challenges due to the Federal Reserve's efforts to reduce inflation through aggressive interest rate increases. Our bankers are working hard every day to help our customers and communities navigate the uncertainties of the current economic and unprecedented interest rate environment.

The pace of interest rate increases this year has put pressure on our net interest margin, as the increasing yield on the loan portfolio is being offset by the increase in deposit and funding costs. Changes in liquidity and competitive deposit pricing, resulting from volatility and uncertainty in the interest rate environment, has put upward pressure on our cost of funds.

Despite these challenges, our capital position remains strong. We will continue to use our successful relationship-based business model to grow stockholder value. Our strong financial foundation and incredible team of dedicated West Bankers positions us well to face today's challenges and to capitalize on opportunities.

We appreciate and thank you for your continued support and interest in our Company.

Sincerely,

A handwritten signature in black ink that reads 'David D. Nelson'.

David D. Nelson  
CEO and President, West Bancorporation, Inc.  
Chair and CEO, West Bank

# BUILDING UPON A HISTORY OF

# STABILITY

## OUR VISION

To achieve and sustain a position of industry envy and admiration.

## OUR MISSION

To build strong relationships, build strong communities and build upon our strong reputation to ensure our clients receive exceptional care, our communities receive outstanding support, and the loyalty of our employees and stockholders is rewarded.



*Back left to right:*

*Sean McMurray, James Noyce, Bradley Peters, Brad Winterbottom, David Nelson, Harlee Olafson, Jane Funk, Michael Gerdin, Patrick Donovan, Philip Jason Worth*

*Front left to right:*

*Steven Gaer, Lisa Elming, Steven Schuler, Rosemary Parson, Therese Vaughan, Douglas Gulling, George Milligan*



We are proud of the national recognition we continually receive for our financial performance.

- ▶ Ranked No. 12 for 2021 among the top 23 performing community banks by Raymond James. West Bank has been selected eight out of the last nine years among a field of 229 publicly traded community banks with assets between \$500 million and \$10 billion.
- ▶ Ranked No. 13 on the S&P Global's list of America's top 50 performing banks with assets between \$3 and \$10 billion for 2021. West Bank was the only Iowa bank to make the list and one of the very few from the Midwest to be recognized. Metrics used to rank banks included return on tangible common equity, efficiency ratio and operating revenue growth.
- ▶ Recognized as one of the nation's top 200 banks with assets between \$2 and \$10 billion by American Banker based on three-year average return on equity as of December 31, 2021. West Bank ranked 39th overall and No. 1 of the 8 Iowa and Minnesota banks on American Banker's list.
- ▶ Despite increasing pressure on net interest margin in the second half of 2022, West Bank is heading into a time of forecasted economic uncertainty from a position of strength:
  - Net income in 2022 was \$46.4 million, the second highest year in our history.
  - In 2022, loans increased by \$286.6 million to \$2.7 billion, while credit quality remains outstanding. As of December 31, 2022, our nonperforming loans as a percentage of total loans was 0.01% and there were no loans greater than 30-days past due.
  - Return on average equity remains strong at 20.71%.



# BUILDING

Since greeting our first customers more than 129 years ago in the heart of West Des Moines' Valley Junction, West Bank has continued to steadily build a business of stability and strength one employee and one building at a time. Over the years, we have expanded from a single storefront community bank to 11 locations throughout Iowa and Minnesota — and the future continues to look bright.

# THE FUTURE



### Ground-Breaking Revitalization

On June 22, 2022, a crowd of city and industry officials, West Bankers and our construction teams gathered to celebrate the groundbreaking of the new West Bank headquarters. Construction of the 72,000-square-foot building began and is scheduled to be completed in 2024.

The new headquarters, located at 3330 Westown Parkway in West Des Moines, is just one mile from the 22nd Street headquarters of the past 50 years. Clearly visible and offering easy access from the bustling thoroughfare of Interstate 235, our new location was strategically chosen to support the revitalization of the Valley West Mall area that has experienced an economic decline over the past decade.

“As the oldest business of any type to be founded in West Des Moines, we believe it’s very important to remain headquartered here,” said David Nelson, West Bank Chair and CEO. “To further demonstrate our support for West Des Moines, we selected a site that is not only highly visible but also in need of reinvestment and redevelopment. As community leaders, we think it’s important to support the community that has supported us for so long.”

### Topping Off with Spirit

After Iowa weather caused the first cancellation, a rescheduled celebration took place on November 21, 2022, to mark a milestone in the headquarters’ construction. Following a tradition dated back to 700 A.D., West Bank held a “Topping Off” ceremony to thank the construction crew for their hard work and dedication to the progression of the building’s foundational structure. The final beam, placed horizontally at the top of the building structure, was adorned by an Ironworkers traditional evergreen tree and an American flag, symbolizing the safe completion of a significant task. A West Bank flag was also placed on the beam, along with a banner including the signatures of West Bank employees and board members.

### The Future View

The new, four-story West Bank headquarters is being built upon 7.5 acres of land and will feature a wraparound rooftop terrace along with other areas for hosting bank events. A lower-level walk-out patio will provide visitors and employees with a view of a beautiful water feature. The expansion of available office space will comfortably support current employees, numbering almost 100, while also providing room for growth well into the future.



## St. Cloud Opens New Office

On March 21, 2022, West Bank opened a newly constructed, state-of-the-art building in St. Cloud, Minnesota. Following Rochester, St. Cloud is the second permanent West Bank location in Minnesota. The 15,000-square-foot, two-story building includes an interior lounge area and a rooftop terrace for entertaining.



### St. Cloud Team *(Left to right)*

Curt Gainsforth, *Vice President/Business Banking Officer*

Matt Laubach, *St. Cloud Market President*

Jessica Riley, *Principal Banker*

Lisa Koster, *1st Vice President/Portfolio Manager*

Elizabeth Statsick, *1st Vice President/Senior Credit Analyst*

Melissa Muehlbauer, *2nd Vice President/Principal Banker*

Todd Mather, *Senior Vice President/Chief Credit Officer*

Aaron Meester, *Vice President/Business Banking Officer*





### **Mankato Prepares to Open in 2023**

Following closely on the heels of St. Cloud, West Bank is planning for the completion of construction and the opening of a new permanent location in Mankato, Minnesota. West Bank has provided community banking services in Mankato since 2019 and looks forward to expanding into a new 15,000-square-foot building in 2023.

### **Mankato Groundbreaking** *(Left to right)*

- Peter Schuller, *Chairman, A.B. Systems, Inc.*
- Ruth Schammel, *1st Vice President/Portfolio Manager*
- Bradley Peters, *Executive Vice President/Minnesota Group President*
- Jeff Osborne, *Senior Vice President/Commercial Banker*
- Erik Hagedorn, *Vice President/Business Banking Officer*
- Julie Sabin, *Principal Banker*
- Tom Lentz, *Mankato Market President*



Our team of West Bankers is always at the heart of everything we do. As a community bank, our focus remains on ensuring our values are lived out through continual learning, quality customer service, and growth as individuals and professionals.

We're proud of the recognition our team members receive for their loyalty and dedication to providing outstanding banking experiences.

**Sara Larson and Gabe Olson** both recently graduated from Iowa Banker's Association (IBA) Leaders in Advocacy, a 10-month program focused on building a base of leaders educated on banking industry issues and communicating effectively with legislators and regulators. In addition to creating an advocacy plan for their respective banks, program participants attended monthly meetings and visits to the state Capitol, and joined the IBA for its annual Capitol Hill Visit in Washington D.C.

**Jon Hummel** was named the 2022 Leaders of Tomorrow "Up and Coming Banker of the Year" in July at the Community Bankers of Iowa's annual conference in Okoboji, Iowa. Recipients of the award were chosen for exemplifying the best in the future of independent community banking.

**Alice Jensen** (retired 2021) was honored by the IBA for more than 50 years of service at West Bank. Jensen received the award during the September IBA Annual Convention in Des Moines. She was one of 24 individuals recognized for reaching the impressive 50-year milestone. Upon recognizing award recipients, IBA President and CEO John Sorensen said, "Each year, it's amazing to hear these bankers' stories of dedication to their communities and the many relationships they formed throughout their 50-plus years of service. We're honored to be able to celebrate the exemplary commitment and experience of Alice Jensen."

A TEAM BUILT ON



**Sara Larson**  
Vice President,  
Central Iowa Retail Manager

**John Sorensen**  
President and CEO,  
Iowa Bankers Association



**Gabe Olson**  
Vice President, Commercial Banker

STRONG



**Rosemary Parson**  
*West Bancorporation and West Bank  
Boards of Directors*

**Rosemary Parson**, senior vice president of policy administration and community relations at EquiTrust Life Insurance Company, joined the West Bancorporation, Inc. and West Bank Boards of Directors in 2022. Parson is an accomplished leader and was inducted to the Iowa Insurance Hall of Fame in 2021. She served on the State of Iowa's Technical and Commercialization (innovation) Committee and several boards, including Children and Families of Iowa, the Des Moines Community Foundation, Pyramid Theatre and the YMCA of Greater Des Moines. Parson currently serves as a trustee of the Des Moines Art Center and actively mentors young-adult students in the areas of financial literacy, banking, education and character.



**Jon Hummel**  
*Vice President, Commercial Banker*



**Alice Jensen**  
*West Bank Legend*

## West Bank Milestone Anniversaries

### 50 YEARS

#### **Kay Trager**

*Vice President, Deposit Operations*

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### 30 YEARS

#### **Brad Winterbottom**

*President*

#### **Han Wu**

*Senior Vice President, IT*

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### 25 YEARS

#### **Holly Hawxby**

*Loan Processor, Loan Operations*

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### 20 YEARS

#### **SueAnn Niehaus**

*Vice President, Trust Operations*

#### **Brooke Newton**

*Vice President, Trust Officer*

#### **Zana Serdarevic**

*Second Vice President,  
Treasury Management Administration*



BUILDING STRONG



### Good Neighbors:

West Bank made a \$350,000 contribution to the Historic West Des Moines Pilot Housing Program, which launched in June 2022. The program assists property owners with residential property improvement projects within the Historic West Des Moines area, also known as Valley Junction, where West Bank was founded in 1893.

COMMUNITIES



In 2022, West Bancorporation Foundation and West Bank supported more than 225 community organizations.

**\$735,000+**

**SUPPORT FOR COMMUNITY  
NONPROFIT ORGANIZATIONS**

**\$125,000+**

**TOWARD ORGANIZATIONS FOCUSED  
ON HEALTH AND WELLNESS**

**7,000+**

**HOURS VOLUNTEERED BY THE  
WEST BANK TEAM TO SUPPORT  
COMMUNITY SERVICES**

“West Bank has always been deeply committed to supporting the communities we serve. We’re proud to continually invest in the organizations that help keep our communities healthy and strong.”

– Jill Hansen, Senior Vice President,  
West Bank and Executive Director of the West Bancorporation Foundation



Being a community bank means caring about supporting strong communities.

West Bank proudly invests in the health and community services that help strengthen the neighborhoods, businesses and individuals we serve.

# BUILDING ON QUALITY



**Ian Fitzsimmons**  
*Assistant Branch Manager*

As one of the top-performing community banks in the nation, we're always looking to combine innovation and technology to advance West Bank products and services.

## ***Debit Card Management***

In 2022, we introduced a new card management tool to allow increased control, convenience and safety for debit card users. Manage My Cards, a West Bank mobile app integration, provides in-depth information about card transactions, including a map pinpointing transaction locations. Manage My Cards also offers card users increased control through the ability to limit transactions by locations, merchant type, transaction type and spending limits.

## ***Online Account Opening Solution***

Rolled out February 1, 2022, the Online Account Opening solution offers new and existing customers convenience at their fingertips. Through the West Bank website and mobile app, customers may open certain checking, savings and money market accounts online. This new solution makes opening certain accounts a convenience from anywhere customers have internet access.

SERVICES



# LEADERSHIP



## BOARD OF DIRECTORS



**James Noyce\***  
Chair,  
West Bancorporation



**David Nelson\***  
CEO and President,  
West Bancorporation;  
Chair and CEO,  
West Bank



**Jane Funk\*\***  
EVP, Treasurer and Chief  
Financial Officer,  
West Bancorporation;  
EVP and Chief Financial  
Officer, West Bank



**Brad Winterbottom\*\***  
EVP,  
West Bancorporation;  
President, West Bank



**Harlee Olafson\*\***  
EVP and Chief Risk Officer,  
West Bancorporation;  
EVP and Chief Risk Officer,  
West Bank



**Bradley Peters\*\***  
EVP,  
West Bancorporation;  
EVP and Minnesota  
Group President of  
West Bank



**Douglas Gulling\***  
Bank Building  
Construction Administrator,  
West Bank



**Patrick Donovan\***  
Retired



**Lisa Elming\***  
Retired



**Steven Gaer\***  
Recoop Disaster  
Insurance



**Michael Gerdin\***  
Heartland Express, Inc.



**Sean McMurray\***  
Businessolver, Inc.



**George Milligan\***  
The Graham Group, Inc.



**Rosemary Parson\***  
EquiTrust Life  
Insurance Company



**Steven Schuler\***  
Retired



**Therese Vaughan\***  
University of Iowa



**Philip Jason Worth\***  
Gilcrest/Jewett  
Lumber Company

\* Director of West Bancorporation, Inc. and West Bank \*\* Director of West Bank



CENTRAL IOWA COMMUNITY BOARD



**Rhonda Burkhardt**  
*The Underground Company, LTD*



**Jerry Deegan**  
*Retired*



**Darin Ferguson**  
*Ferguson Commercial Real Estate Services*



**Ryan Flynn, CPA**  
*Flynn + Sweeney, LLC*



**Kevin Grimm**  
*Investor/Consultant*



**Greg LaMair**  
*Assured Partners LLC*



**Dave Moench**  
*Realm Companies*



**Austin Palmer**  
*The Palmer Group*



**Steve Schweizer**  
*Denman & Company*



**Victoria Veiock**  
*Bing's*



**Jeff Yurgae**  
*Mueller-Yurgae Associates, Inc.*

EASTERN IOWA COMMUNITY BOARD



**Jesse Allen**  
*Allen Homes, Inc.*



**Rodney Anderson**  
*Panuchos Mexican Grill*



**Jill Armstrong**  
*Skogman Realty*



**David Barker**  
*Barker Apartments*



**Kevin Digmann**  
*Hodge Construction*



**Ravi Patel**  
*Hawkeye Hotels*



**Luke Recker**  
*Styker Corporation*



**Chuck Skaugstad**  
*The Mansion Town Square Developers*



**Leighton Smith**  
*BerganKDV*



**Jerry Waddilove**  
*Real Estate Developer*

*All six of our community boards are non-voting advisory boards with knowledge of the communities we serve.*

## MANKATO COMMUNITY BOARD



**Bryan Bode**  
*Investor/Consultant*



**Mark Draper**  
*River City Electric  
Company*



**Dr. Wynn Kearney**  
*Retired Surgeon/Investor*



**Steve Kibble**  
*Siesta Hills*



**Bruce Kinsella**  
*Philanthropic Consulting*



**Tim Lidstrom**  
*Lidstrom Commercial  
Realtors*



**David Pfeffer**  
*Vintage Fine Homes, Inc.*



**Mark Phinney**  
*C&N Sales Company*



**Randy Westman**  
*Westman Investments*



**Art Westphal**  
*Bethany Lutheran  
College*



**Andrew Willaert**  
*Gislason & Hunter LLP*

## OWATONNA COMMUNITY BOARD



**Dale Buytaert**  
*CliftonLarsonAllen LLP*



**Mark Freerksen**  
*Freerksen Trucking Inc.*



**Chad Hanson**  
*Main Street  
Dental Clinics*



**Theresa James**  
*James Brothers  
Construction*



**Wayne James**  
*James Brothers  
Construction*



**Scott Mohs**  
*Mohs Contracting  
Mohs Homes*



**Mike Noble**  
*Investor/Retired*



**Pat Noble**  
*National Online  
Consignment and Rental*



**Darren Roemhildt**  
*Bridges Chiropractic*



**Brandon Wayne**  
*Wayne-Norrid-Wetmore  
Wealth Management*

*All six of our community boards are non-voting advisory boards with knowledge of the communities we serve.*

## ROCHESTER COMMUNITY BOARD



**Jason Boynton, CPA**  
Smith Schafer & Associates



**Jeff Brown, Jr.**  
North Rock Real Estate



**Michael Busch**  
Paramark Corp.



**Patrick Deutsch**  
Pace International



**Bobbie Gostout, M.D.**  
Vice President Emeritus,  
Mayo Clinic



**Hal Henderson**  
HGA



**Dick Kuehn**  
Kuehn Motors



**Brian Leary**  
Pharmaceutical  
Specialties, Inc.



**David Pederson**  
Dunlap & Seeger, P.A.



**Peter Schuller**  
A.B. Systems, Inc.



**Ed Stanley**  
Merit Building  
Enclosure Systems



**Chris Terry**  
BuildCore, Inc.



**Natalie Victoria**  
Victoria's  
Restaurant and  
The Tap House

## ST. CLOUD COMMUNITY BOARD



**David Berdan**  
J-Berd Companies



**Byron Bjorklund**  
Custom Catering  
by Short Stop



**Jeff Drown**  
Lyon Contracting



**Steve Feneis**  
GC Real Estate Partners



**Jason Ferche**  
Ferche Companies



**Marc Sanderson**  
Wilkie Sanderson



**Dr. Kevin Smith**  
Regional Diagnostic  
Radiology



**Eric Stack**  
Millerbernd  
Manufacturing



**Tim Torborg**  
Torborg Builders



**Heidi Weikert**  
S.T. Cotter  
Turbine Services

All six of our community boards are non-voting advisory boards with knowledge of the communities we serve.



# FINANCIALS





As of and for the years ended December 31, 2022, 2021, and 2020  
(dollars in thousands, except per share data)

	<b>2022</b>	2021	2020
<b>Results of operations</b>			
Net interest income	\$ <b>91,740</b>	\$ 95,059	\$ 82,833
Provision for loan losses	<b>(2,500)</b>	(1,500)	12,000
Noninterest income	<b>10,208</b>	9,729	9,602
Noninterest expense	<b>45,051</b>	43,380	39,054
Income before income taxes	<b>59,397</b>	62,908	41,381
Net income	<b>46,399</b>	49,607	32,712
<b>Per common share</b>			
Cash dividends	\$ <b>1.00</b>	\$ 0.94	\$ 0.84
Basic earnings	<b>2.79</b>	3.00	1.99
Diluted earnings	<b>2.76</b>	2.95	1.98
Closing stock price	<b>25.55</b>	31.07	19.30
Book value	<b>12.69</b>	15.73	13.58
<b>Year-end balances</b>			
Assets	<b>\$3,613,218</b>	\$3,500,201	\$3,185,744
Investment securities	<b>683,451</b>	768,787	432,294
Loans	<b>2,742,836</b>	2,456,196	2,280,575
Nonperforming loans	<b>322</b>	8,948	16,194
Other real estate owned	-	-	-
Deposits	<b>2,880,408</b>	3,016,005	2,700,994
Stockholders' equity	<b>211,112</b>	260,328	223,695
<b>Ratios</b>			
Return on average assets	<b>1.32%</b>	1.52%	1.19%
Return on average equity	<b>20.71%</b>	20.33%	15.49%
Texas ratio <sup>(1)</sup>	<b>0.14%</b>	3.10%	6.40%
Efficiency ratio <sup>(1) (2)</sup>	<b>43.70%</b>	40.91%	41.96%
Dividend payout ratio	<b>35.82%</b>	31.33%	42.23%
Dividend yield	<b>3.91%</b>	3.03%	4.35%
Net interest margin <sup>(2)</sup>	<b>2.76%</b>	3.05%	3.20%
Allowance for loan losses as % of loans	<b>0.93%</b>	1.15%	1.29%
Net (charge-offs) recoveries as % of average loans	<b>(0.02%)</b>	0.02%	0.01%
Nonperforming loans as % of loans	<b>0.01%</b>	0.36%	0.71%
Tangible common equity to tangible assets	<b>5.84%</b>	7.44%	7.02%

(1) A lower ratio is better.

(2) As presented, this is a non-GAAP measure – see “Non-GAAP Financial Measures” for additional details.

# CONSOLIDATED BALANCE SHEETS



December 31, 2022 and 2021  
(dollars in thousands, except per share data)

## Assets

Cash and due from banks	\$ 24,896	\$ 17,555
Interest-bearing deposits	1,643	175,270
<b>Cash and cash equivalents</b>	<b>26,539</b>	<b>192,825</b>
Securities available for sale, at fair value	664,115	758,822
Federal Home Loan Bank stock, at cost	19,336	9,965
Loans	2,742,836	2,456,196
Allowance for loan losses	(25,473)	(28,364)
<b>Loans, net</b>	<b>2,717,363</b>	<b>2,427,832</b>
Premises and equipment, net	53,124	34,568
Accrued interest receivable	11,988	8,890
Bank-owned life insurance	44,573	43,609
Deferred tax assets, net	36,609	10,819
Other assets	39,571	12,871
<b>Total assets</b>	<b>\$ 3,613,218</b>	<b>\$ 3,500,201</b>

## Liabilities and stockholders' equity

### Liabilities

Deposits		
Noninterest-bearing demand	\$ 693,563	\$ 720,136
Interest-bearing demand	536,226	548,242
Savings	1,237,954	1,550,636
Time	412,665	196,991
<b>Total deposits</b>	<b>2,880,408</b>	<b>3,016,005</b>
Federal funds purchased and other short-term borrowings	200,000	2,880
Subordinated notes, net	79,369	20,465
Federal Home Loan Bank advances	155,000	125,000
Long-term debt	51,486	51,521
Accrued expenses and other liabilities	35,843	24,002
<b>Total liabilities</b>	<b>3,402,106</b>	<b>3,239,873</b>

### Stockholders' equity

Preferred stock, \$0.01 par value; authorized 50,000,000 shares; no shares issued and outstanding at December 31, 2022 and 2021	-	-
Common stock, no par value; authorized 50,000,000 shares; 16,640,413 and 16,554,846 shares issued and outstanding at December 31, 2022 and 2021, respectively	3,000	3,000
Additional paid-in capital	32,021	30,183
Retained earnings	267,562	237,782
Accumulated other comprehensive loss	(91,471)	(10,637)
<b>Total stockholders' equity</b>	<b>211,112</b>	<b>260,328</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 3,613,218</b>	<b>\$ 3,500,201</b>

# CONSOLIDATED STATEMENTS OF INCOME



Years ended December 31, 2022, 2021, and 2020  
(dollars in thousands, except per share data)

	<b>2022</b>	2021	2020
<b>Interest income</b>			
Loans, including fees	\$ 107,095	\$ 95,585	\$ 90,668
Securities:			
Taxable	12,524	8,542	7,818
Tax-exempt	3,527	2,861	1,443
Interest-bearing deposits	203	292	304
<b>Total interest income</b>	<u>123,349</u>	<u>107,280</u>	<u>100,233</u>
<b>Interest expense</b>			
Deposits	22,629	7,948	11,256
Federal funds purchased and other short-term borrowings	1,764	5	23
Subordinated notes	2,867	1,008	1,016
Federal Home Loan Bank advances	2,669	2,944	4,705
Long-term debt	1,680	316	400
<b>Total interest expense</b>	<u>31,609</u>	<u>12,221</u>	<u>17,400</u>
<b>Net interest income</b>	91,740	95,059	82,833
<b>Provision for loan losses</b>	(2,500)	(1,500)	12,000
<b>Net interest income after provision for loan losses</b>	<u>94,240</u>	<u>96,559</u>	<u>70,833</u>
<b>Noninterest income</b>			
Service charges on deposit accounts	2,194	2,352	2,360
Debit card usage fees	1,969	1,948	1,632
Trust services	2,709	2,671	2,078
Increase in cash value of bank-owned life insurance	964	923	593
Loan swap fees	835	66	1,572
Realized securities gains, net	-	51	77
Other income	1,537	1,718	1,290
<b>Total noninterest income</b>	<u>10,208</u>	<u>9,729</u>	<u>9,602</u>
<b>Noninterest expense</b>			
Salaries and employee benefits	25,838	23,226	21,591
Occupancy	4,913	5,162	4,879
Data processing	2,597	2,465	2,331
Subscriptions and service contracts	2,137	1,777	1,333
FDIC insurance	996	1,818	1,210
Professional fees	874	946	927
Director fees	814	765	868
Other expenses	6,882	7,221	5,915
<b>Total noninterest expense</b>	<u>45,051</u>	<u>43,380</u>	<u>39,054</u>
<b>Income before income taxes</b>	59,397	62,908	41,381
<b>Income taxes</b>	12,998	13,301	8,669
<b>Net income</b>	<u>\$ 46,399</u>	<u>\$ 49,607</u>	<u>\$ 32,712</u>
<b>Earnings per common share:</b>			
Basic earnings per common share	<u>\$ 2.79</u>	<u>\$ 3.00</u>	<u>\$ 1.99</u>
Diluted earnings per common share	<u>\$ 2.76</u>	<u>\$ 2.95</u>	<u>\$ 1.98</u>

To the Stockholders and the Board of Directors of West Bancorporation, Inc.

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of West Bancorporation, Inc. and its subsidiary as of December 31, 2022 and 2021, and the related consolidated statements of income, comprehensive income (not presented herein), stockholders' equity (not presented herein) and cash flows (not presented herein) for each of the three years in the period ended December 31, 2022; and in our report, dated February 22, 2023, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

*RSM US LLP*

Des Moines, Iowa | February 22, 2023

**NON-GAAP FINANCIAL MEASURES**

Non-GAAP financial measures include the Company's presentation of net interest margin on a fully taxable equivalent (FTE) basis and the presentation of the efficiency ratio on an FTE basis, excluding certain noninterest income and expenses. The following table reconciles the non-GAAP financial measures to GAAP.

As of and for the years ended December 31, 2022, 2021, and 2020  
(dollars in thousands, except per share data)

**Reconciliation of net interest income and net interest margin on an FTE basis to GAAP:**

	<b>2022</b>	2021	2020
Net interest income (GAAP)	\$ <b>91,740</b>	\$ 95,059	\$ 82,833
Tax-equivalent adjustment <sup>(1)</sup>	<u>1,122</u>	<u>1,202</u>	<u>707</u>
Net interest income on an FTE basis (non-GAAP)	\$ <b>92,862</b>	\$ 96,261	\$ 83,540
Average interest-earning assets	\$ <b>3,361,091</b>	\$ 3,152,138	\$ 2,614,342
Net interest margin on an FTE basis (non-GAAP)	<b>2.76%</b>	3.05%	3.20%

**Reconciliation of efficiency ratio on an FTE basis to GAAP:**

Net interest income on an FTE basis (non-GAAP)	\$ <b>92,862</b>	\$ 96,261	\$ 83,540
Noninterest income	<b>10,208</b>	9,729	9,602
Adjustment for realized securities gains, net	-	(51)	(77)
Adjustment for losses on disposal of premises and equipment, net	<u>29</u>	<u>84</u>	<u>9</u>
Adjusted income	\$ <b>103,099</b>	\$ 106,023	\$ 93,074
Noninterest expense	\$ <b>45,051</b>	\$ 43,380	\$ 39,054
Efficiency ratio on an adjusted FTE basis (non-GAAP) <sup>(2)</sup>	<b>43.70%</b>	40.91%	41.96%

(1) Computed on a tax-equivalent basis using a federal income tax rate of 21 percent, adjusted to reflect the effect of the nondeductible interest expense associated with owning tax-exempt securities and loans. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the financial results, as it enhances the comparability of income arising from taxable and nontaxable sources.

(2) The efficiency ratio expresses noninterest expense as a percent of fully taxable equivalent net interest income and noninterest income, excluding specific noninterest income and expenses. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the Company's financial performance. It is a standard measure of comparison within the banking industry. A lower ratio is more desirable.



A copy of the Company's annual report on Form 10-K filed with the Securities and Exchange Commission will be available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov) and through a link on the Company's website, [westbankstrong.com](http://westbankstrong.com), under Investor Relations – SEC Filings – Documents. A copy of the annual report can also be obtained upon request to Melissa Gillespie, Corporate Secretary, [mgillespie@westbankstrong.com](mailto:mgillespie@westbankstrong.com), 515-222-2370.

## STOCK INFORMATION

West Bancorporation's common stock is traded on the Nasdaq Global Select Market, and quotations are furnished by the Nasdaq System. We had 154 common stockholders of record on December 31, 2022, and an estimated 5,300 additional beneficial holders whose stock was held in street name by brokerages or fiduciaries.

### Market and dividend information <sup>(1)</sup>

	High	Low	Close	Dividends
<b>2022</b>				
4th Quarter	\$ 25.62	\$ 20.50	\$ 25.55	\$ 0.25
3rd Quarter	26.26	20.39	20.81	0.25
2nd Quarter	27.51	22.88	24.34	0.25
1st Quarter	32.60	27.07	27.21	0.25
Total				<u>\$1.00</u>
<b>2021</b>				
4th Quarter	\$ 34.50	\$ 29.30	\$ 31.07	\$ 0.24
3rd Quarter	31.98	26.26	30.03	0.24
2nd Quarter	29.90	23.92	27.75	0.24
1st Quarter	26.78	18.86	24.09	0.22
Total				<u>\$0.94</u>

(1) The prices shown are the high, low and closing sale prices for the Company's common stock. The market quotations, reported by Nasdaq, do not include retail markup, markdown or commissions.

## TRANSFER AGENT AND REGISTRAR

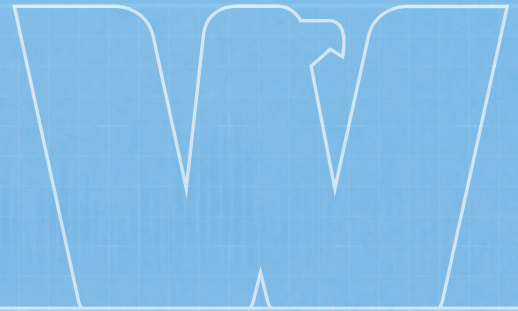
American Stock Transfer & Trust Company, LLC  
 6201 15th Avenue, Brooklyn, New York 11219  
 800-937-5449 | [www.astfinancial.com](http://www.astfinancial.com)



Certain statements in this report, other than purely historical information, including estimates, projections, statements relating to the Company's business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may appear throughout this report. These forward-looking statements are generally identified by the words "believes," "expects," "intends," "anticipates," "projects," "future," "confident," "may," "should," "will," "strategy," "plan," "opportunity," "will be," "will likely result," "will continue" or similar references, or references to estimates, predictions or future events. Such forward-looking statements are based upon certain underlying assumptions, risks and uncertainties. Because of the possibility that the underlying assumptions are incorrect or do not materialize as expected in the future, actual results could differ materially from these forward-looking statements. Risks and uncertainties that may affect future results include: interest rate risk, including the effects of recent rate increases by the Federal Reserve; fluctuations in the values of the securities held in our investment portfolio, including as a result of rising interest rates, which has resulted in unrealized losses in our portfolio; competitive pressures, including from non-bank competitors such as "fintech" companies and digital asset service providers; pricing pressures on loans and deposits; our ability to successfully manage liquidity risk; changes in credit and other risks posed by the Company's loan portfolio, including declines in commercial or residential real estate values or changes in the allowance for loan losses dictated by new market conditions, accounting standards (including as a result of the implementation of the current expected credit loss (CECL) accounting standard) or regulatory requirements; changes in local, national and international economic conditions, including rising rates of inflation; changes in legal and regulatory requirements, limitations and costs; changes in customers' acceptance of the Company's products and services; cyber-attacks; unexpected outcomes of existing or new litigation involving the Company; the monetary, trade and other regulatory policies of the U.S. government; acts of war or terrorism, including the Russian invasion of Ukraine, widespread disease or pandemics, such as the COVID-19 pandemic, or other adverse external events; risks related to climate change and the negative impact it may have on our customers and their businesses; developments and uncertainty related to the future use and availability of some reference rates, such as the expected discontinuation of the London Interbank Offered Rate and the development of other alternative reference rates; changes to U.S. tax laws, regulations and guidance; talent and labor shortages; the new 1% excise tax on stock buybacks by publicly traded companies; and any other risks described in the "Risk Factors" sections of reports filed by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to revise or update such forward-looking statements to reflect current or future events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.



# LOCATIONS



## IOWA

### Main Bank

1601 22nd St.  
West Des Moines

### Coralville

401 10th Ave.  
Coralville

### East

2440 East Euclid Ave.  
Des Moines

### Grand

125 Grand Ave.  
West Des Moines

### South

3920 SW 9th St.  
Des Moines

### Waukee

955 East Hickman Rd.  
Waukee

### City Center

809 6th Ave.  
Des Moines

## MINNESOTA

### Mankato

122 North Broad St.  
Mankato

### Owatonna

345 Florence Ave., Ste. 101  
Owatonna


### Rochester

2188 Superior Dr. NW  
Rochester

### St. Cloud

1800 Bellin Dr.  
St. Cloud

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