HilltopHoldings

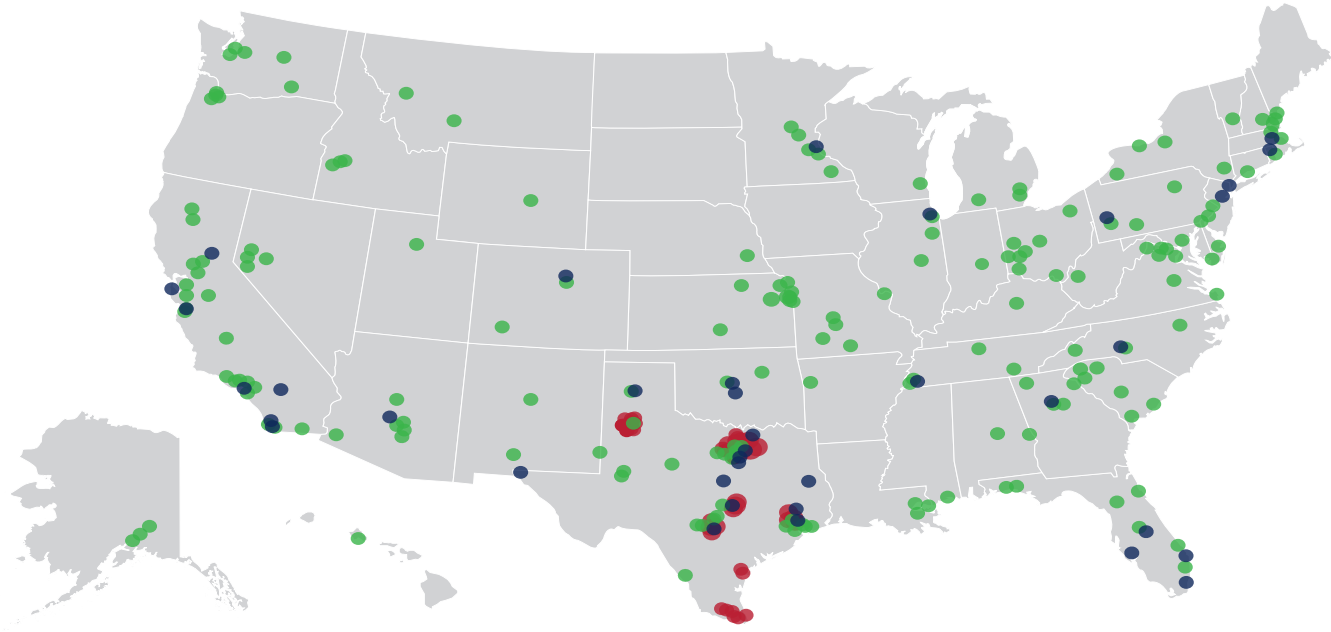
2025 ANNUAL REPORT

STRENGTH MOMENTUM

NOTICE OF 2026 ANNUAL MEETING & PROXY STATEMENT

2025 ANNUAL REPORT

2025 NET INCOME	12/31/2025 TOTAL ASSETS	2025 ROAA	2025 ROAE
$165.6 MILLION	$15.8 BILLION	1.10%	7.60%



PrimeLending®

TOP 10 NATIONAL RETAIL MORTGAGE LENDER

97% CUSTOMER SATISFACTION RATING

PlainsCapital Bank®

#7 TEXAS-BASED BANK BY TEXAS DEPOSITS

HilltopSecurities®

#2 MUNICIPAL ADVISOR IN THE NATION BASED ON TOTAL NUMBER OF ISSUES

LETTER FROM OUR CHAIRMAN, PRESIDENT & CEO

To Our Stockholders, Customers, and Employees:

I am proud to report that operations across Hilltop Holdings were strong for the year 2025. Our company's focus on long-term value creation through prudent risk management and exceptional client service were the driving forces behind our year over year improvement across all three of our lines of business. On a consolidated basis, Hilltop produced net income of $165.6 million, or $2.64 per diluted share, in 2025 compared to $113.2 million, or $1.74 per diluted share in 2024.

From a macro-economic perspective, we saw a continued decline in short-term interest rates as the Federal Open Market Committee cut their target rate three times during the year for a total of 75 basis points. The yield curve realized a further steepening through the year as long-term interest rates, namely the 10-year treasury note, remained range bound between 4% and 4.5%. As with many of our banking peers, Hilltop benefited from the normalization of the yield curve's shape by realizing higher net interest income and an increase in the net interest margin. Additionally, the economy in the state of Texas, our headquarters and primary state of operation, continued to show strong trends in 2025 with a GDP of $2.9 trillion and the largest net population growth and net job growth in the country. Our businesses, through sound capital management, strong talent development and real community-based relationship building, capitalized on these macro-economic tailwinds.

In 2025, Hilltop was again ranked among the Top 50 U.S. Public Banks by S&P Global Market Intelligence. This ranking is based on growth, profitability, and safety and soundness, reflecting our continued commitment to healthy risk-adjusted returns and sound balance sheet positioning. In addition, based on our values-driven culture, Hilltop, PlainsCapital Bank, and HilltopSecurities were named among the U.S.'s Top Workplaces in the Financial Services Industry in 2025.

I am proud of the way our employees continued to pull together over the past year, never losing sight of our commitment to serving our customers and communities. Their efforts are directly tied to our solid financial performance and the outstanding company we have built together.

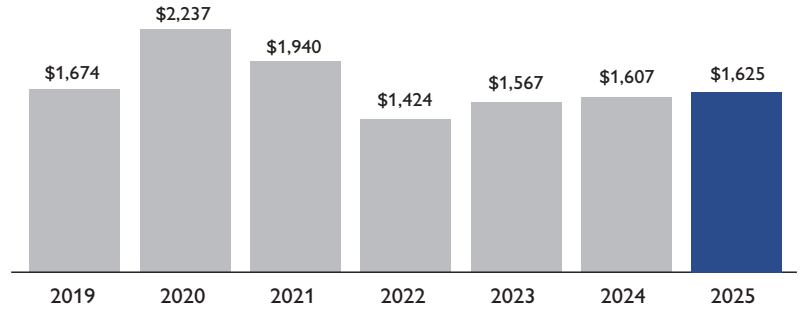
Jeremy B. Ford
Chairman, President & CEO
Hilltop Holdings

FINANCIAL PERFORMANCE

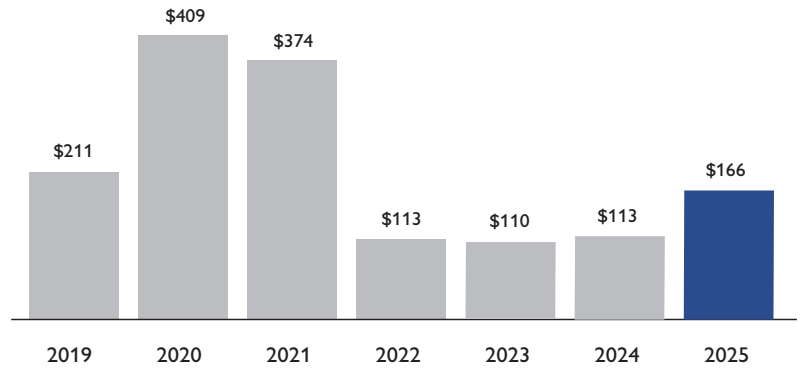
While interest rate volatility, ongoing inflation, and other economic factors continue to create uncertainty, Hilltop is well-positioned to capitalize on opportunities, driven by the resilience of our synergistic, durable, and differentiated business model.

PlainsCapital Bank produced healthy core loan and deposit growth in 2025, while PrimeLending reduced pre-tax losses by 48% as the company further improved operational efficiency. HilltopSecurities capitalized on a strong year from its Structured Finance, Wealth Management and Public Finance business lines. Hilltop also benefited from an exit within our merchant banking division, Hilltop Opportunity Partners, where we recorded a pre-tax gain of $27.8 million due to the sale of Moser Energy Systems to Atlas Energy Solutions. While delivering improved results across our lines of business, we also returned over $231 million to our stockholders through dividends and share repurchases.

REVENUE[1] ($ IN MILLIONS)



NET INCOME[1] ($ IN MILLIONS)

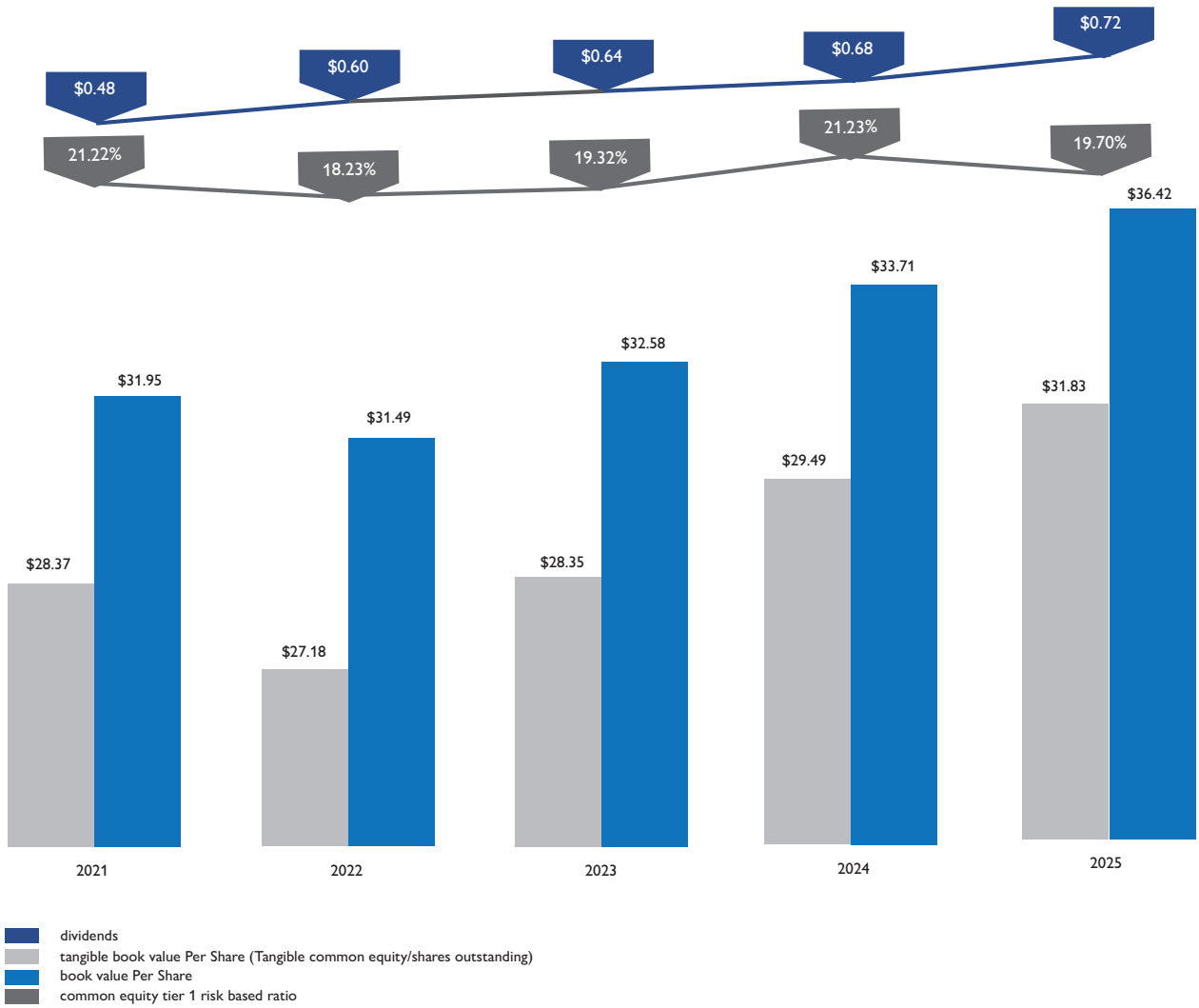


1. All metrics are based on income from continuing operations.

CAPITAL MANAGEMENT

Hilltop continued to maintain a strong balance sheet in 2025, ending the year with a Tier 1 Leverage Ratio of 12.78% and a Common Equity Tier 1 Capital Ratio of 19.70%. Also, during the year, Hilltop repurchased 5.7 million shares of its common stock pursuant to the 2025 stock repurchase program, returning these shares to the pool of authorized but unissued shares. In addition, our Board of Directors authorized a new stock repurchase program through January 2027, under which Hilltop may repurchase up to $125.0 million of its outstanding common stock. Hilltop declared cash dividends totaling $0.72 per common share in 2025 and ended the year with an increased book value per share of $36.42 and a tangible book value per share of $31.83.

CAPITAL MANAGEMENT AND TANGIBLE BOOK VALUE GROWTH



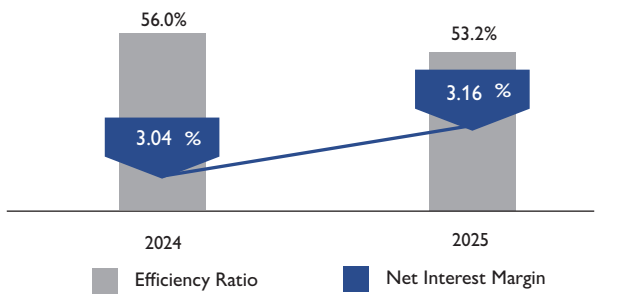
1. Tangible book value per share (TBVPS) is a non-GAAP financial measure. For a reconciliation of TBVPS to the nearest GAAP measure, see "Annex A" to the Proxy Statement included herein.

PLAINSCAPITAL BANK

PlainsCapital Bank reported strong results in 2025, with pre-tax income of $193.2 million and a Return on Average Assets of 1.17%. Core loans grew 5.7% year over year, while core deposits grew 3.2% for the same period. PlainsCapital Bank's outperformance was largely driven by proactive management of deposit costs which helped to expand net interest margin by 12 bps when compared to 2024. Despite increased competition in our markets, PlainsCapital continues to recruit proven and talented lenders that fit our business model. This speaks to the Bank's well-established reputation for providing the highest level of service and value to our customers. I am proud of the strength of our team at PlainsCapital Bank and their consistent efforts to be value-enhancing partners to our broad set of customers and communities.

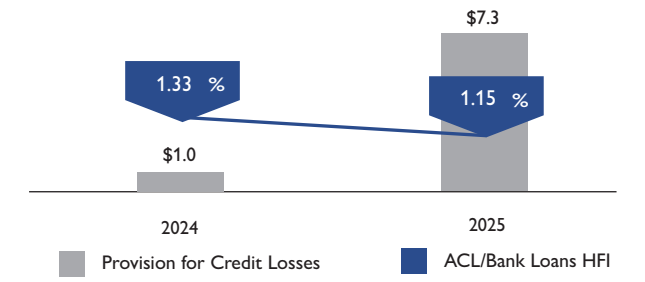
SUMMARY RESULTS ($ IN MILLIONS)	2024	2025
NET INTEREST INCOME	372.5	382.1
PROVISION FOR CREDIT LOSSES	1.0	7.3
NONINTEREST INCOME	43.3	46.1
NONINTEREST EXPENSE	233.0	227.6
INCOME BEFORE TAXES	**181.9**	**193.2**

EFFICIENCY RATIO & NET INTEREST MARGIN



KEY HIGHLIGHTS	2024	2025
ROAA	**1.10%**	**1.17%**
ASSETS ($BN)	13.4	12.7
PRE-PROVISION NET REVENUE ($MM)	182.9	200.6

PROVISION FOR CREDIT LOSSES & ACL / BANK LOANS HFI ($ IN MILLIONS)

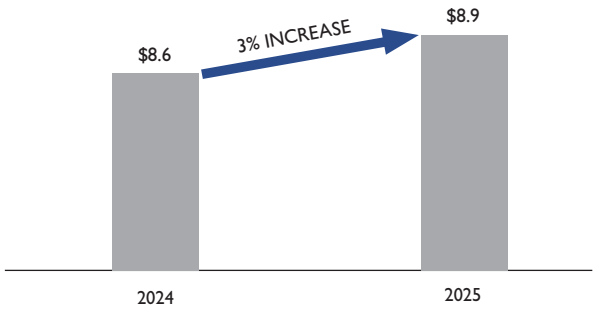


PRIMELENDING

Mortgage market conditions continued to create headwinds in 2025, with challenging affordability, low new home inventory, and increased ownership expenses weighing on industry volumes and margins. However, PrimeLending made meaningful progress toward resizing the business to align with the current conditions, narrowing its pre-tax loss for the year by almost half to $17.5 million. Mortgage origination volume increased to $8.9 billion for 2025, compared to $8.6 billion for 2024. In addition, gain on sale of loans to third parties increased 4% to 227 basis points in 2025, compared to 218 basis points in 2024. We will continue to take steps to increase efficiency while investing in opportunities to organically grow production headcount and overall origination volumes.

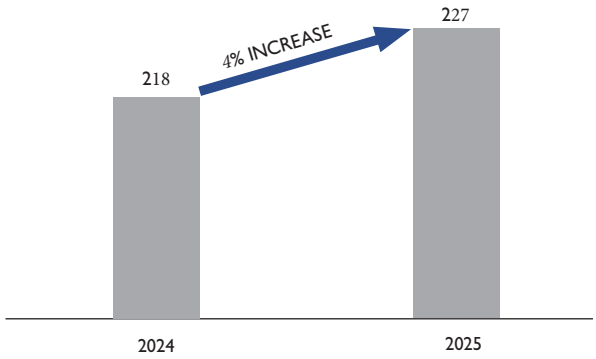
SUMMARY RESULTS ($ IN MILLIONS)	2024	2025
NET INTEREST INCOME (EXPENSE)	(16.9)	(7.9)
NONINTEREST INCOME	313.2	310.9
NONINTEREST EXPENSE	330.1	320.5
INCOME (LOSS) BEFORE TAXES	**(33.7)**	**(17.5)**

MORTGAGE ORIGINATIONS ($ IN BN)



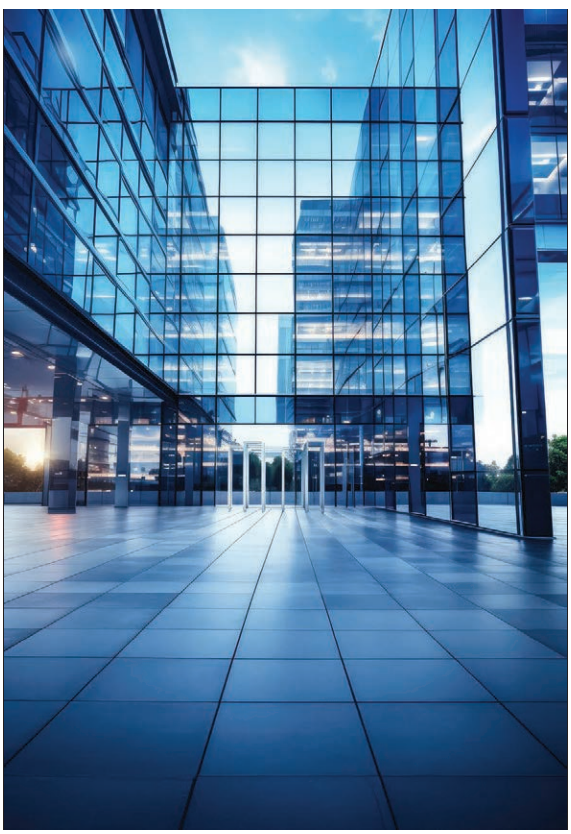
KEY HIGHLIGHTS	2024	2025
% PURCHASE	90%	86%
MORTGAGE SALES VOLUME ($MM)	**8,224**	**8,280**
MSR ASSET ($MM)	6	17

THIRD-PARTY GAIN-ON-SALE (BPS)



HILLTOPSECURITIES

HilltopSecurities demonstrated strong execution in the firm's core competencies, generating pre-tax income of $67.6 million on net revenues of $501.0 million, for a pre-tax margin of 13.5%, compared to pre-tax income of $63.5 million on net revenues of $471.7 million in 2024. The firm reported record years for net revenue in its Public Finance and Retail Wealth Management businesses. I am proud of the efforts of HilltopSecurities' leadership and employees as their focus and execution on being a full solution provider to our clients has resulted in continued growth and profitability. With a long legacy as a leader in municipal finance, we are excited to celebrate HilltopSecurities' 80th anniversary in 2026!



SUMMARY RESULTS ($ IN MILLIONS)	2024	2025
NET INTEREST INCOME	48.9	50.3
NONINTEREST INCOME	422.8	450.8
NONINTEREST EXPENSE	408.3	433.5
INCOME BEFORE TAXES	**63.5**	**67.6**

KEY HIGHLIGHTS	2024	2025
PRE-TAX MARGIN	13.5%	13.5%
COMPENSATION / NET REVENUE	60.8%	62.3%
FDIC INSURED BALANCE AT PCB ($MM)	572	100
OTHER FDIC INSURED BALANCES ($MM)	1,350	1,748
PUBLIC FINANCE OFFERINGS ($MM)	63,343	84,220
TBA LOCK VOLUME ($MM)	4,628	4,448

NET REVENUES BY BUSINESS LINE ($ IN MILLIONS)	2024	2025
PUBLIC FINANCE SERVICES	98.6	126.7
FIXED INCOME SERVICES	60.5	56.7
WEALTH MANAGEMENT	178.5	196.3
STRUCTURED FINANCE	102.6	99.9
OTHER	31.5	21.5
NET REVENUES	**471.7**	**501.0**

GIVING BACK TO OUR COMMUNITIES

Community engagement remained central to Hilltop's values in 2025, with our family of companies demonstrating a strong commitment to giving back through both time and financial support. Over the course of the year, Hilltop employees logged more than 1,500 hours of volunteer service, while employee and corporate contributions totaled more than $3.0 million in support of nonprofit organizations and charitable causes across the country.

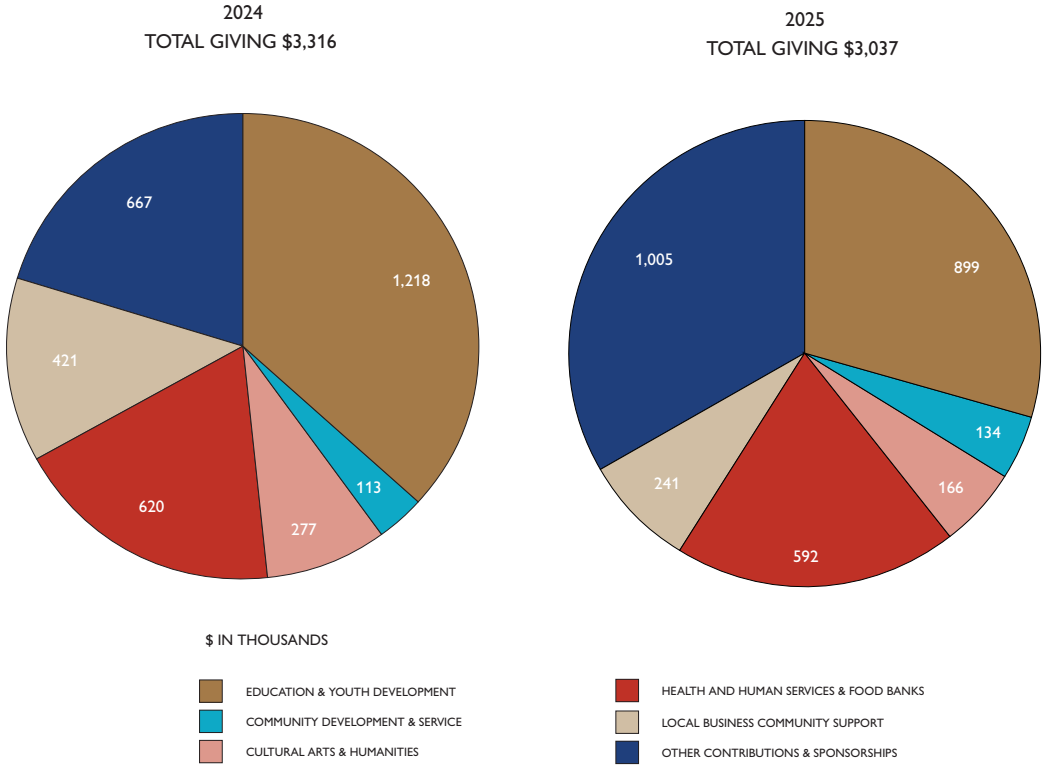
We continue to empower employee philanthropy through our Heart of Hilltop Matching Gift Program, which matches eligible employee donations to qualifying non-profit organizations. Hilltop also promotes hands-on community involvement by offering volunteer time off to all employees and by highlighting exceptional service each year through our Hilltop Holdings Volunteer of the Year award.

In April we held our first company-wide Volunteer Week with nearly 90 employees volunteering more than 170 hours at organizations across the Dallas-Fort Worth area, including Genesis Benefit Thrift Store, Greenspace Dallas, the Stewpot Food Pantry, American Cancer Society's Hope Lodge, and United Way of Metropolitan Dallas.

Hilltop renewed its partnership with the Dallas Independent School District's (DISD) Career & Technical Institute in 2025 by once again sponsoring the Hilltop Entrepreneurship Challenge. Employees played an active role in the program, mentoring the 71 one student teams as they developed original business concepts and offering them insights throughout the planning process.

Our efforts to fight hunger continued in 2025, as Hilltop and PlainsCapital Bank built on their longstanding partnership with the North Texas Food Bank (NTFB) through a new $225,000 pledge. This commitment is enough to provide more than 675,000 meals through 2027. As part of the commitment, PlainsCapital sponsored a new NTFB semi truck which delivers food daily across the organization's service area. Employees also volunteered in-person at NTFB's distribution center and took part in a holiday Virtual Food Drive.

Our commitment to community support extended beyond pre-planned volunteering and fundraising opportunities. When tragedy struck the Texas Hill Country with devastating flash flooding in July 2025, our employees stepped up to donate over $38,000 to support victims and their families. With Hilltop's matching donations and additional corporate support, we contributed more than $87,000 in total.



BUILDING OUR CULTURE

Hilltop's strong culture continued to serve as the foundation that drives our organization's priorities, decisions, and actions. The members of our Culture Councils, Human Resources teams, and other employee councils work closely together throughout the year to drive engagement, create a positive environment, and ensure a meaningful work experience. They provided networking opportunities, professional development, holiday celebrations, luncheons, and other events throughout the year.

The strength of our culture was again demonstrated by the anonymous responses to our annual employee engagement survey. This survey is administered by an independent third party, and based on the responses, Hilltop, PlainsCapital Bank, PrimeLending, and HilltopSecurities were all recognized as Top Workplaces in the financial services industry. This marked the second year our entire family of companies has received this recognition.

THANK YOU

Hilltop's strong results in 2025 serve as an example of our robust business model. Strong core growth with improved margins at PlainsCapital Bank and robust net revenues with a healthy pre-tax margin at HilltopSecurities were able to offset the continued challenges faced within the residential mortgage market. While we believe there is opportunity to further enhance all three lines of business, we are proud of the results that were produced in 2025. Additionally, Hilltop's balance sheet and liquidity position remain robust and the organization is well positioned to continue to thrive into the future.

In April of 2026, we were proud to welcome two highly experienced and capable new members to Hilltop's Board of Directors—Dana Bober and Stephen Haworth. Ms. Bober has 30 years of experience in audit and related services with a focus on investment banks, asset managers, hedge funds, and other diversified financial institutions. Mr. Haworth has 20 years of experience as Chief Financial Officer in private equity funds that focus on investing in buyouts, growth capital, middle market, and equity transactions. We are very fortunate to have these two accomplished leaders on Hilltop's Board and look forward to their insight and guidance.

I am grateful to Hilltop's entire leadership team for all they have done to steer our organization through volatile economic conditions while never losing site of our strategic objectives. I also want to thank our dedicated employees for the value they provide to their customers and to the communities in which they serve. Finally, I want to recognize and thank our stockholders and Board of Directors for their continued support. I am excited about the future of Hilltop and the opportunities that exist in 2026.

Sincerely,

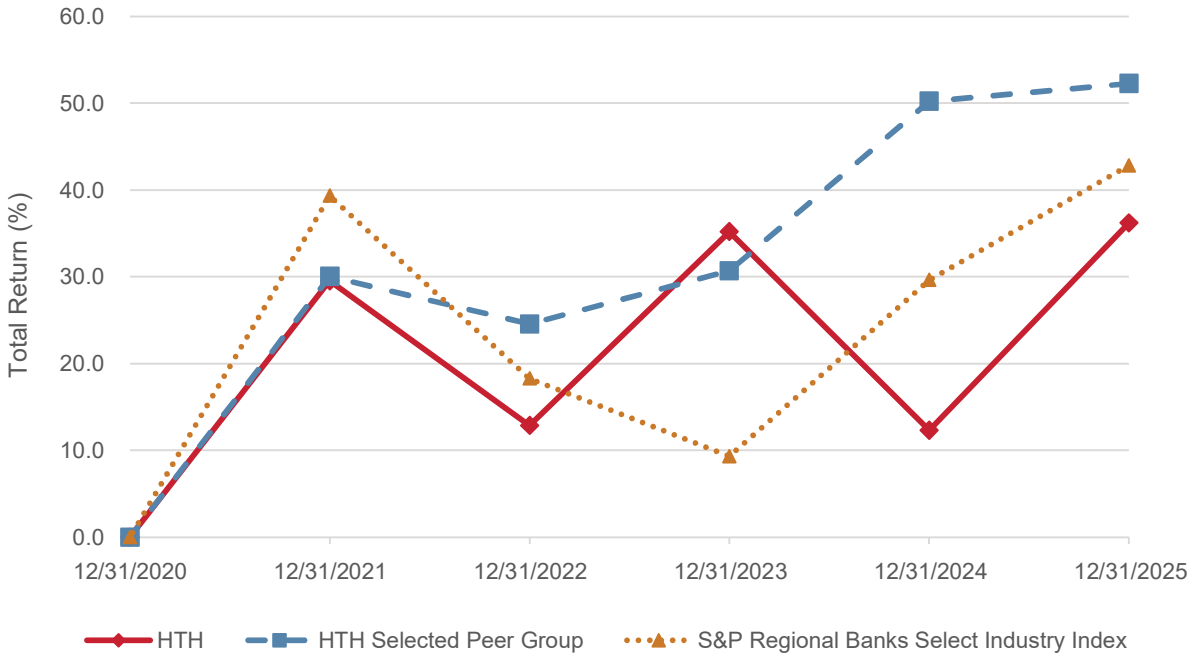
Jeremy B. Ford

Chairman, President & Chief Executive Officer, Hilltop Holdings

Chairman & Chief Executive Officer, PlainsCapital Bank

STOCK PERFORMANCE GRAPH

Our common stock is listed on the New York Stock Exchange and NYSE Texas under the symbol "HTH." The following graph assumes $100 invested on December 31, 2020, and compares (a) the yearly percentage change in the cumulative total stockholder return on our common stock (as measured by dividing (i) the sum of (A) the cumulative amount of dividends, assuming dividend reinvestment, during the period commencing on the first day of trading, and ending on December 31, 2025, and (B) the difference between our share price at the end and the beginning of the periods presented by (ii) the share price at the beginning of the periods presented) with (b) the S&P Regional Bank Select Industry Index, and (c) our selected peer group of the following institutions: Ameris Bancorp; BancFirst Corporation; Community Financial System, Inc.; Eastern Bankshares, Inc.; FB Financial Corporation; First Busey Corporation; First Financial Bancorp; First Financial Bankshares, Inc. International Bancshares Corporation; Merchants Bancorp; NBT Bancorp Inc.; Renasant Corporation; Simmons First National Corporation; TowneBank; Trustmark Corporation; WSFS Financial Corporation and WesBanco, Inc.



Date	HTH	HTH Selected Peer Group	S&P Regional Banks Select Industry Index
12/31/2025	36.2	52.3	42.8
12/31/2024	12.3	50.2	29.6
12/31/2023	35.2	30.7	9.3
12/31/2022	12.9	24.6	18.3
12/31/2021	29.5	30.0	39.3
12/31/2020	0.0	0.0	0.0

NOTICE OF 2026 ANNUAL MEETING AND PROXY STATEMENT

WHEN
Thursday, July 23, 2026, at 10:00 a.m., Dallas, Texas local time

WHERE
Virtual meeting via live webcast, accessible at: www.virtualshareholdermeeting.com/HTH2026

RECORD DATE
Stockholders of record at the close of business on April 27, 2026

ITEMS OF BUSINESS

PROPOSAL	BOARD'S RECOMMENDATION	SEE PAGE
1 Elect thirteen directors to serve on our Board of Directors until the 2027 annual meeting of stockholders or until their successors are duly elected and qualified;	✓ "FOR each"	2
2 Conduct a non-binding advisory vote to approve executive compensation;	✓ "FOR"	77
3 Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026; and	✓ "FOR"	78
4 Transact any other business that may properly come before the meeting and any adjournments or postponements of the meeting.		

Pursuant to rules promulgated by the Securities and Exchange Commission, we are providing access to our proxy materials, including this proxy statement and our annual report for the year ended December 31, 2025, over the Internet. As a result, we are providing to many of our stockholders a Notice of Internet Availability of Proxy Materials instead of a paper copy of our proxy materials. The notice contains instructions on how to access those proxy materials over the Internet, as well as instructions on how to request a paper copy of our proxy materials. All stockholders who are not sent a notice will be sent a paper copy of our proxy materials by mail. This electronic distribution process reduces the environmental impact and lowers the costs of printing and distributing our proxy materials.

Your vote is very important. Please read the Proxy Statement and voting instructions on the enclosed proxy card. Then, whether or not you plan to attend the Annual Meeting virtually, and no matter how many shares you own, please vote by Internet, telephone or by marking, signing, dating and promptly returning the enclosed proxy card in the enclosed envelope, which requires no additional postage if mailed in the United States. Please see "Additional Information – How can I virtually attend the Annual Meeting?" for information on how to obtain directions to be able to attend the meeting and vote virtually.

By Order of the Board of Directors,

Corey G. Prestidge
Executive Vice President,
General Counsel & Secretary

April 30, 2026
6565 Hillcrest Avenue
Dallas, Texas 75205

THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS OR THIS PROXY STATEMENT AND THE ACCOMPANYING PROXY CARD, AS APPLICABLE, THE NOTICE OF 2026 ANNUAL MEETING OF STOCKHOLDERS AND THE ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2025 WILL BE PROVIDED TO STOCKHOLDERS OF RECORD ON OR ABOUT MAY 29, 2026.

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This Proxy Statement includes forward-looking statements. These statements are not historical facts and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. For a discussion of some of the risks and important factors that could affect the Company's future results and financial condition, see "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and subsequent reports filed with the SEC.

GENERAL INFORMATION

The Notice of Internet Availability of Proxy Materials, or this Proxy Statement and the accompanying proxy card, as applicable, the Notice of 2026 Annual Meeting of Stockholders (the "Annual Meeting") and the Annual Report for the year ended December 31, 2025 will be provided on or about May 29, 2026 to stockholders of record as of the close of business on April 27, 2026, the record date for determining stockholders entitled to notice of and to vote at the Annual Meeting.

The Board of Directors recommends that you vote your shares:

- **FOR** each of our director candidates;
- **FOR** the approval, on a non-binding advisory basis, of the compensation of our named executive officers; and
- **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026.

Unless the context otherwise indicates, all references in this Proxy Statement to the "Company," "we," "us," "our" or "ours" or similar words are to Hilltop Holdings Inc. and its direct and indirect wholly owned subsidiaries, references to "Hilltop" refer solely to Hilltop Holdings Inc., references to "PlainsCapital" refer to PlainsCapital Corporation (a wholly owned subsidiary of Hilltop), references to "Securities Holdings" refer to Hilltop Securities Holdings LLC (a wholly owned subsidiary of Hilltop), references to "Hilltop Securities" refer to Hilltop Securities Inc. (a wholly owned subsidiary of Securities Holdings), references to the "Bank" refer to PlainsCapital Bank (a wholly owned subsidiary of PlainsCapital), references to "First Southwest" refer to First Southwest Holdings, LLC (a wholly owned subsidiary of Securities Holdings) and its subsidiaries as a whole, and references to "PrimeLending" refer to PrimeLending, a PlainsCapital Company (a wholly owned subsidiary of the Bank) and its subsidiaries as a whole.

PROPOSAL ONE —
ELECTION OF DIRECTORS

GENERAL

At the recommendation of the Nominating and Corporate Governance Committee, our Board of Directors has nominated the director candidates named under "— Nominees for Election as Directors" below.

Our Board of Directors oversees our management on your behalf. The Board of Directors reviews our long-term strategic plans and exercises direct decision-making authority on key issues, such as the approval of business combination transactions, the authorization of dividends, the selection of the Chief Executive Officer, setting the scope of executives' authority to manage our day-to-day operations and the evaluation of executives' performance.

Our Board of Directors is not classified; thus, all of our directors are elected annually. As previously announced, Ms. Charlotte Jones resigned from the Board of Directors on April 19, 2025, and Mr. Gerald J. Ford was appointed Chairman Emeritus and Mr. Jeremy Ford was appointed Chairman of the Board on April 24, 2025. On April 29, 2025, Mr. J. Markham Green elected not to stand for re-election at the 2025 Annual Meeting and then, on July 8, 2025, Mr. Gerald J. Ford resigned as Chairman Emeritus. Additionally, on August 27, 2025, Messrs. Tracy A. Bolt and A. Haag Sherman resigned from the Board of Directors. On April 23, 2026, at the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors appointed Ms. Dana Bober and Mr. Stephen Haworth to the Board of Directors.

The Nominating and Corporate Governance Committee has recommended, and our Board of Directors has nominated, a total of thirteen nominees for election at the Annual Meeting, including the eleven persons currently serving as directors whose terms are expiring at the Annual Meeting and two nominees appointed to our Board on April 23, 2026. The Board of Directors also waived the age limit for Messrs. Bobbitt and W. Robert Nichols, III in connection with their nomination for re-election.

As Chairman Emeritus until his resignation on July 8, 2025, Mr. Gerald J. Ford was invited to attend and participate at meetings of the Board of Directors of Hilltop but was not entitled to vote on matters brought before the Board of Directors. The Chairman Emeritus was not counted for the purpose of determining whether a quorum of the Board of Directors was present and did not have any of the responsibilities or liabilities of a director, or any of a director's rights, powers or privileges. The Chairman Emeritus, however, remained subject to Hilltop's policies applicable to directors.

If elected, each of the persons nominated for election as a director has agreed to serve until the next annual meeting of stockholders and until his or her successor is duly elected and qualified. If a nominee becomes unwilling or unable to serve as a director for any reason, the proxies that otherwise would have been voted for this nominee will be voted for a substitute nominee as selected by the Board. Alternatively, the proxies, at the Board's discretion, may be voted for that fewer number of nominees as results from the inability of any nominee to serve. Biographical information on each of our nominees is given below.

NOMINEES FOR ELECTION AS DIRECTORS

Rhodes R. Bobbitt

✓ Independent Director since November 2005

AGE: 80

COMMITTEES
- Investment (Chairman)

CAREER HIGHLIGHTS
- Mr. Bobbitt is currently retired

CREDIT SUISSE FIRST BOSTON/DONALDSON LUFKIN & JENRETTE
- Managing Director & Regional Office Manager of the Private Client Service Group (1987-2004)

GOLDMAN SACHS & COMPANY
- Vice President of Security Sales, Dallas office (1969-1987)

OTHER EXPERIENCE
- Former Director of First Acceptance Corporation

SKILLS AND QUALIFICATIONS
- Mr. Bobbitt has an extensive investment background, which is particularly important given the investment portfolios at our subsidiaries

Dana Bober

✓ Independent Director since April 2026

AGE: 56

COMMITTEES
- Audit

CAREER HIGHLIGHTS

ERNST & YOUNG LLP
- Partner and Americas Practice Leader, Financial Accounting Advisory Services (2017-June 2025)
- Partner, Financial Services (2004-2017)
- Client Serving, Staff to Senior Manager (1992-2004)

OTHER EXPERIENCE
- Board, Executive Committee, and Treasurer of Girl Rising
- Former member of C200
- Former member of Women's Bond Club

SKILLS AND QUALIFICATIONS
- Ms. Bober has 30 years of experience in audit and related services including strategic planning, financial management and corporate governance with a focus on investment banks, asset managers, hedge funds and other diversified financial institutions.

J. Taylor Crandall

✓ Lead Independent Director since August 2025
✓ Independent Director since April 2015

AGE: **72**

COMMITTEES
- Executive
- Risk
- Nominating and Corporate Governance

CAREER HIGHLIGHTS

OAK HILL CAPITAL MANAGEMENT, LLC
- Currently serves as Chairman Emeritus of Oak Hill Capital Management, a New York-based private equity firm
- Founding Managing Partner and has served with the firm since 1986

KEYSTONE, INC.
- Chief Operating Officer for the primary investment vehicle for Robert M. Bass

FIRST NATIONAL BANK OF BOSTON
- Vice President

OTHER EXPERIENCE
- Director of Intermedia.net, Inc., Wave Division Holdings, LLC, Omada International, Pulsant Limited, Berlin Packaging LLC and Powdr Foundation
- Secretary-Treasurer of the Anne T. and Robert M. Bass Foundation
- Trustee of the Lucile Packard Foundation for Children's Health
- Board trustee of The Park City Foundation and the U.S. Ski and Snowboard Team Foundation

SKILLS AND QUALIFICATIONS
- Mr. Crandall has significant experience in finance and management and board governance, including his experience serving on the boards of directors of public and private companies

Hill A. Feinberg

✓ Director since November 2012

AGE: 79

CAREER HIGHLIGHTS

HILLTOP SECURITIES

- Has served as Chairman Emeritus since 2019
- Chairman and Chief Executive Officer (1991-2019)

BEAR STERNS & CO

- Former Senior Managing Director

OTHER EXPERIENCE

- Former Director of PlainsCapital, Compass Bancshares, Inc. and Texas Regional Bancshares, Inc.
- Former Advisory Director of Hall Phoenix Energy, LLC
- Former Non-Executive Chairman and Director of General Cryogenics, Inc.
- Past Chairman of the Municipal Securities Rulemaking Board
- Mr. Feinberg was a member of the board of directors of Energy XXI (Bermuda) Limited, a public company that filed bankruptcy in 2016

SKILLS AND QUALIFICATIONS

- Mr. Feinberg has extensive knowledge and experience concerning the broker-dealer segment and the industry in which it operates through his extended period of service to First Southwest and Hilltop Securities

Jeremy B. Ford

✓ Chairman of the Board since April 2025
✓ Director since March 2010

AGE: 51

COMMITTEES

- Executive (Chairman)

CAREER HIGHLIGHTS

HILLTOP HOLDINGS INC.

- Chairman of the Board since April 2025
- Currently serves as President and Chief Executive Officer since April 1, 2019
- Chief Executive Officer of PlainsCapital Bank effective May 1, 2024

FORD FINANCIAL FUND, L.P.

- Principal (2008-2010)

DIAMOND A-FORD CORPORATION

- Vice President (2004-2008)

OTHER EXPERIENCE

- Chairman and Director of First Acceptance Corporation

SKILLS AND QUALIFICATIONS

- Mr. Jeremy B. Ford has worked in the financial services industry for over 25 years, primarily focused on operating and acquiring depository institutions and financial services companies
- Mr. Jeremy B. Ford has extensive executive officer experience and knowledge of our operations
- Additionally, he has been actively involved in numerous acquisitions, including those consummated by Hilltop

Stephen Haworth

✓ Independent Director since April 2026

AGE: 64

COMMITTEES
- Audit
- Compensation

CAREER HIGHLIGHTS

FLEXPOINT FORD LLC
- Vice Chairman (2025 – Present)
- Chief Financial Officer (2005 – 2025)

ERNST & YOUNG LLP
- Partner (1985-2005)

OTHER EXPERIENCE
- Certified Public Accountant

SKILLS AND QUALIFICATIONS
- Mr. Haworth has extensive audit and tax experience. He also has 20 years of experience as a Chief Financial Officer in private equity funds that focus on investing in buyouts, growth capital, turnaround, middle market and equity transactions.

Lee Lewis

✓ Director since November 2012

AGE: 74

COMMITTEES
- Investment

CAREER HIGHLIGHTS

LEE LEWIS CONSTRUCTION, INC.
- Founder and Chief Executive Officer (1976-present) of Lee Lewis Construction, a construction firm based in Lubbock, Texas

OTHER EXPERIENCE
- Former Director of PlainsCapital
- Member of the American General Contractors Association, West Texas Chapter, Chancellors Council for the Texas Tech University System, and Red Raider Club

SKILLS AND QUALIFICATIONS
- Through his service on our Board of Directors and former service on PlainsCapital's Board of Directors, Mr. Lewis has many years of knowledge of PlainsCapital and the challenges and opportunities that the Company is presented
- The background of Mr. Lewis as an owner and chief executive officer of a Texas-based company also provides unique insight to the Board of Directors

Thomas C. Nichols

✓ Independent Director since August 2020

AGE: 78

COMMITTEES
- Audit (Chairman)
- Risk (Chairman)

CAREER HIGHLIGHTS

CARLILE HOLDINGS, INC.
- Owner and Chief Executive Officer of family investment office since 2017

CARLILE BANCSHARES, INC.
- Served as Chairman and Chief Executive Officer (2008-2017)

FDIC
- Former Bank Examiner

OTHER EXPERIENCE
- Former Director of Independent Bancshares, Inc.
- Mr. Nichols has acquired, merged and sold banking organizations and other financial services companies for over 30 years

SKILLS AND QUALIFICATIONS
- Mr. Thomas C. Nichols has significant experience in managing and leading banking and other financial services enterprises, including merger and acquisition activities, which provides our Board of Directors with additional perspectives on our operations

W. Robert Nichols, III

✓ Independent Director since April 2008

AGE: 81

COMMITTEES
- Nominating and Corporate Governance (Chairman)
- Compensation (Chairman)

CAREER HIGHLIGHTS

CONLEY LOTT NICHOLS
- President of Conley Lott Nichols, a dealer for several manufacturers of construction machinery

RUSTY'S OILFIELD SERVICES COMPANY
- Served as Chairman and President until January 2020

OTHER EXPERIENCE
- Mr. W. Robert Nichols, III has been a leader in the construction machinery business since 1966
- He has served on numerous bank and bank holding company boards, including United New Mexico Bancorp and Ford Bank Group
- Mr. W. Robert Nichols, III is active in civic and charitable activities, serving as an active director at M.D. Anderson Hospital, The Nature Conservancy of Texas and Mercy Street

SKILLS AND QUALIFICATIONS
- Mr. W. Robert Nichols III has broad experience in managing and leading enterprises
- This significant experience provides our Board of Directors with additional perspectives on our operations

Kenneth D. Russell

✓ Director since August 2010

AGE: 77

COMMITTEES
- Risk

CAREER HIGHLIGHTS

FIRST ACCEPTANCE CORPORATION
- Chief Executive Officer (2022-Present)
- Special Advisor (2021-2022)
- Chief Executive Officer (2019-2021)
- Interim President and Chief Executive Officer (2016-2019)

MECHANICS BANK
- Chief Executive Officer (2015-2016)

FORD FINANCIAL FUND II, L.P.
- Principal (2012-2016)

FORD FINANCIAL FUND, L.P.
- Advisor (2010-2012)

KPMG
- Rose from a staff accountant in the U.S. division to become a member of KPMG Germany's managing Board of Directors
- During 20 years in KPMG LLP's Dallas office, he led the engagement efforts with the firm's regional banking, thrift and other financial services clients
- Mr. Russell joined KPMG's national office in New York and led their financial services advisory unit, which supported many of the nation's largest banks

OTHER EXPERIENCE
- Director of First Acceptance Corporation, Mechanics Bancorp and Mechanics Bank
- He joined the Managing Board for KPMG in Germany, where he served as the global lead partner in the firm's relationship with Deutsche Bank
- Lead a new Partner Mentoring Program for KPMG's offices throughout Europe, working to help young professionals become category and practice leaders

SKILLS AND QUALIFICATIONS
- Mr. Russell's extensive background in accounting and operating entities provides valuable insight to our Board of Directors
- Experience managing and consulting on banking operations in over 50 countries

Jonathan S. Sobel

✓ Director since July 2019

AGE: 59

COMMITTEES
- Investment

CAREER HIGHLIGHTS

HILLTOP SECURITIES INC.
- Non-executive Chairman (2019-Present)

FORD MANAGEMENT II, L.P. AND FORD MANAGEMENT III, L.P.
- Partner (2012-2025)

DTF HOLDINGS, LLC
- Managing Member (2008-Present)

GOLDMAN SACHS & CO. (1987-2008)
- Partner and Managing Director
- Served in executive roles including Global Head of Mortgage Department, Global Head of Money Markets, head of the firm's Global Bank Group and Chief Risk Officer for Goldman Sachs Asset Management

OTHER EXPERIENCE
- Current Senior Advisor to United States Secretary of Commerce
- Served as a member of Goldman Sachs' Capital, Risk and Finance Committees
- He is a trustee of the Hospital for Special Surgery

SKILLS AND QUALIFICATIONS
- Mr. Sobel has significant experience in the banking, mortgage and broker-dealer industries, as well as risk management
- He also possesses extensive knowledge regarding the Company and its operations, which makes him a valuable member of the Board of Directors

Robert C. Taylor, Jr.

✓ Independent Director since November 2012

AGE: 78

COMMITTEES
- Compensation
- Investment
- Nominating and Corporate Governance

CAREER HIGHLIGHTS

UNITED SUPERMARKETS, LLC
- Currently serves on the executive team, with involvement in government relations, real estate, innovation and special projects
- Retired as Chief Executive Officer, with previous roles as Vice President of Manufacturing and Supply Chain (2009-2021)

R.C. TAYLOR DISTRIBUTING, INC.
- Served as President until 2007

OTHER EXPERIENCE
- Former Director of PlainsCapital Bank and United Supermarkets, LLC
- Director of Texas Tech Chancellors Advisory and Texas Tech Foundation
- Chairman of the Lubbock Downtown Tax Increment Finance Redevelopment Committee

SKILLS AND QUALIFICATIONS
- Through his service on our Board of Directors and former service on PlainsCapital's Board of Directors, Mr. Taylor has many years of knowledge of PlainsCapital and the challenges and opportunities that it is presented
- The background of Mr. Taylor as a manager of a Texas-based company also provides unique insight to the Board of Directors

Carl B. Webb

✓ Director since June 2005

AGE: 76

COMMITTEES
- Executive

CAREER HIGHLIGHTS

FORD FINANCIAL FUND II, L.P. AND FORD FINANCIAL FUND III, L.P.
- Sole Manager

PACIFIC CAPITAL BANCORP
- Chief Executive Officer (2010-2012)

SANTA BARBARA BANK & TRUST, N.A.
- Served as Chairman of the Board and Chief Executive Officer (2010-2012)

FORD FINANCIAL FUND, L.P.
- Served as Senior Principal of private equity fund that was the parent company of SB Acquisition Company LLC, the majority stockholder of Pacific Capital Bancorp prior to its sale to UnionBanCal Corporation (2008-2012)

VARIOUS FINANCIAL INSTITUTION AND BANK EXECUTIVE ROLES
- Served as President and Chief Operating Officer of Golden State Bancorp Inc. and its subsidiary, California Federal Bank, FSB
- Previously served as President and Chief Executive Officer of First Madison Bank, FSB and First Gibraltar Bank, FSB, as well as President of First National Bank at Lubbock

OTHER EXPERIENCE
- Executive Chairman of Mechanics Bancorp and Mechanics Bank
- Former Director of Pacific Capital Bancorp, M&F Worldwide Corp., Plum Creek Timber Company, Golden State Bancorp Inc., California Federal Bank, FSB, Prologis, Inc. and First National Bank at Lubbock

SKILLS AND QUALIFICATIONS
- Mr. Webb possesses particular knowledge and experience in strategic planning and the financial industry, as well as expertise in bank management, that strengthen the Board of Directors' collective qualifications, skills and experience

DIRECTOR INDEPENDENCE

As a public company listed on the New York Stock Exchange, or NYSE, and NYSE Texas we are required to comply with the rules of the NYSE and are subject to the rules and regulations of the SEC, including the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley. NYSE Listing Rule 303A.01 requires listed companies to have a board of directors with at least a majority of independent directors. Following the resignation of Messrs. Bolt and Sherman on August 27, 2025, each of whom were independent, five of our eleven remaining directors qualified as independent and as a result, we were no longer in compliance with NYSE Listing Rule 303A.01 until April 23, 2026 when our Board of Directors appointed Ms. Bober and Mr. Haworth to serve as directors. Our Board of Directors has affirmatively determined that each of Messrs. Bobbitt, Crandall, W. Robert Nichols, III, Thomas C. Nichols and Taylor, each of whom currently serve on our Board of Directors and have been nominated for re-election as directors at the Annual Meeting, and each of Ms. Bober and Mr. Haworth, who have been nominated for election at the Annual Meeting, has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with us) and qualify as independent under NYSE rules. In addition, the Board of Directors has affirmatively determined that (i) each member of the Audit Committee has been affirmatively determined by the Board of Directors is independent under Rule 10A-3 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the additional NYSE listing standards for the purposes of Audit Committee service and (ii) that each member of the Compensation Committee is independent under Rule 10C-1 of the Exchange Act and the additional NYSE listing standards for the purposes of Compensation Committee service.

In conducting its annual review of director independence, the Board of Directors considered transactions and relationships between each director or any member of his or her immediate family and the Company.

MEETING ATTENDANCE

Our Board of Directors met nine times during 2025. No director attended fewer than 75% of the aggregate number of meetings of the Board of Directors and the committees of the Board of Directors on which he or she served, during 2025. Our Board of Directors has not adopted a formal policy with regard to director attendance at the annual meetings of stockholders. Members of the Board of Directors are expected to attend annual meetings. Eleven directors, Messrs. Bobbitt, Crandall, Feinberg, Jeremy B. Ford, Lewis, W. Robert Nichols, III, Thomas C. Nichols, Russell, Sobel, Taylor and Webb, and three former directors, Messrs. Bolt, Green and Sherman, attended the 2025 annual meeting of stockholders in person or virtually.

VOTE NECESSARY TO ELECT DIRECTORS

A plurality of all the votes cast at the Annual Meeting is required to elect a director. The thirteen director candidates receiving the highest number of affirmative votes, or a plurality, will be elected as directors. For purposes of the election of directors, withheld votes and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote on this proposal, although they will be considered present for purposes of determining a quorum. Under applicable NYSE rules, a broker or other nominee does not have the authority to vote for the director nominees in the absence of instructions from the beneficial owner of the relevant shares. Stockholders may not cumulate votes in the election of directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES IDENTIFIED ABOVE.

DIRECTOR COMPENSATION

General

Members of our Board of Directors who also are full-time employees do not receive any compensation for their service on the Board of Directors or any committee of the Board of Directors. During 2025, the Chairman of the Board of Directors and all other directors were entitled to receive the following compensation for their service on the Board of Directors:

Committee	Annual Fee for Chairperson ($)	Annual Fee for Other Members ($)
Board of Directors (a)	210,000	48,000 (b)
Lead Independent Director	50,000	— (c)
Audit Committee	70,000	8,000
Nominating and Corporate Governance Committee	15,000	5,000
Compensation Committee	30,000	5,000
Investment Committee	30,000	5,000
Risk Committee	50,000	8,000
Merger and Acquisition Committee	15,000	5,000
Executive Committee (a)	—	5,000

(a) Jeremy B. Ford, President and Chief Executive Officer of the Company and Chief Executive Officer of PlainsCapital Bank, is chairman of the Board of Directors and Executive Committee. Because he is a full-time employee of the Company, no fee is or was paid to him as chairman of the Board of Directors and Executive Committee.

(b) See below for the award of shares of common stock to non-employee directors serving immediately prior to the 2025 Annual Meeting.

(c) See below for information on compensation for Lead Independent Director of the Board of Directors.

Members of our Board of Directors may elect to receive their aggregate Board of Directors and board committee compensation:

- entirely in the form of cash;
- entirely in the form of common stock; or
- one-half in cash and one-half in common stock.

Any elections, or changes in elections, by directors regarding the form of compensation to be received may only occur during a “trading window” and only become effective at the “trading window” immediately following such election or change in election. Cash and shares of common stock are paid and issued, respectively, on a calendar quarterly basis, with no vesting requirements. Customarily, these payments and issuances occur by the fifth day of the month following the applicable calendar quarter-end. The value of the common stock awarded is based upon the average closing price per share of our common stock for the last ten consecutive trading days of the applicable calendar quarter. In lieu of fractional shares of common stock that would otherwise be issuable to a director, we pay cash to the director based upon the value of those fractional shares at the value of the shares awarded to the director. If a director does not serve for the entire calendar quarter, that director is compensated based upon the time of service during the applicable calendar quarter.

Commencing in 2025, non-employee directors serving immediately prior to each annual meeting were eligible to receive a grant of shares of common stock for their services as a director for the prior year. In July 2025, the non-employee directors received a grant of shares of common stock valued at approximately $30,000, based upon the July 23, 2025

closing price. In 2026, the grant of shares of common stock increased to a grant of shares of common stock valued at approximately $45,000.

Under our stock ownership policy, directors are expected to own shares with a value greater than five times their annual retainer for serving on the Board of Directors of the Company, unless they are subject to certain restrictions on receiving director fees or on receiving fees in the form of stock.

Each member of our Board of Directors is reimbursed for out-of-pocket expenses associated with his or her service on, and attendance at, Board of Directors or board committee meetings. Other than as described above, members of our Board of Directors receive no additional compensation for their service on the Board of Directors or board committees.

Compensation of Our Chairman of the Board

Gerald J. Ford, the former non-executive Chairman of the Board of Directors until his transition to Chairman Emeritus on April 24, 2025, provided us with significant value given his experience in the financial services industry, including mergers and acquisitions, capital and liquidity management and other operating matters, such as key personnel hires. In addition to the fees paid to our former non-executive Chairman of the Board of Directors described above, we also granted the former non-executive Chairman of the Board of Directors a restricted stock unit, or RSU, award representing 30,000 shares each year. This RSU award cliff vests on the third anniversary of the date of grant. The RSU award agreement also provides for pro rata vesting upon termination without cause, death or disability. Commencing in 2019, all equity award agreements, including the RSU awards granted to the former non-executive Chairman of the Board of Directors, contain “double trigger” provisions, which require termination without cause within the six months preceding or the twelve months following a change in control in order for the equity awards to vest in connection with a change in control. Mr. Gerald J. Ford served as Chairman Emeritus to the Board of Directors of the Company until his resignation on July 8, 2025. As a result, all unvested RSUs awarded to Mr. Gerald J. Ford were forfeited upon his resignation.

Jeremy B. Ford was appointed Chairman of the Board of Directors effective April 24, 2025. As a member of management, he will not receive additional compensation for assuming the role of Chairman of the Board of Directors.

Compensation of Our Lead Independent Director

Mr. Bolt was appointed lead independent director on April 24, 2025 and served in such role until his resignation from the Board of Director on August 27, 2025. On August 29, 2025, Mr. Crandall was appointed lead independent director of the Board of Directors.

Political Action Committee Matching Program

The Hilltop Holdings Inc. PAC, or the PAC, is a separate segregated fund that was formed to make political contributions. To encourage participation in the PAC by eligible participants, for each contribution made to the PAC by an eligible individual contributor, Hilltop makes a matching contribution to any Section 501(c)(3) organization of the contributor’s choice, dollar for dollar, up to the maximum amount an eligible individual can contribute to the PAC in a given calendar year. Under this program, no contributor to the PAC receives any financial, tax or other tangible benefit or premium from either the recipient charities or us. This program is completely voluntary.

2025 Director Compensation

Director Compensation Table for 2025

Name	Fees Earned or Paid in Cash ($)(a)	Stock Awards ($)(a)(b)	All Other Compensation ($)	Total ($)
Rhodes R. Bobbitt	88,000	30,012	—	118,012
Tracy A. Bolt (c)	32	133,210	—	133,242
J. Taylor Crandall (d)	92,117	30,012	—	122,128
Hill A. Feinberg	—	—	—	—
Gerald J. Ford (e)	48	1,036,278 (f)	—	1,036,326
Jeremy B. Ford	—	—	—	—
J. Markham Green (g)	39,000	30,012	—	69,012
Charlotte Jones (h)	8,812	8,716	—	17,527
Lee Lewis	53,000	30,012	—	83,012
W. Robert Nichols, III	84,209	30,012	—	114,221
Thomas C. Nichols	126,777	30,012	—	156,789
Kenneth D. Russell	56,000	30,012	—	86,012
A. Haag Sherman (c)	59,842	30,012	—	89,854
Jonathan S. Sobel	26,590	56,421	—	83,012
Robert C. Taylor, Jr.	30,790	60,619	—	91,408
Carl B. Webb	52	82,960	—	83,012

(a) Fees earned for services performed in 2025 include annual retainers and chairperson remuneration. Aggregate fees paid to non-employee directors for annual retainers and committee chairmanships were paid quarterly. Cash was paid in lieu of the issuance of fractional shares. Service for any partial quarter is calculated and paid on the basis of time served during the applicable calendar quarter. Non-employee directors are solely responsible for the payment of taxes payable on remuneration paid by the Company. The number of shares awarded was determined based upon the average closing price per share of our common stock for the last ten consecutive trading days of the calendar quarter during which the stock was earned, and the dollar value reported in the table represents the aggregate dollar amount of cash fees forgone.

(b) Non-employee directors serving immediately prior to the 2025 Annual Meeting also received a grant of 957 shares of common stock ($30,000) for their services as a director for the prior twelve months.

(c) Messrs. Bolt and Sherman resigned from the Board of Directors on August 27, 2025. Mr. Bolt served as lead independent director from April 24, 2025 until his resignation from the Board of Directors on August 27, 2025.

(d) Mr. Crandall was appointed lead independent director on August 29, 2025.

(e) Mr. Gerald J. Ford was appointed Chairman Emeritus effective April 24, 2025 until his resignation as Chairman Emeritus on July 8, 2025.

(f) Director fees paid in stock of $67,878 and the grant date fair value of $968,400 of an equity award calculated in accordance with the provisions of the Stock Compensation Topic 718 of the Accounting Standards Codification, or ASC. Such award represented a time-based RSU that was to cliff vest upon the earlier of February 5, 2028 and a change of control but were subsequently forfeited.

(g) Mr. Green elected not to stand for re-election at the 2025 Annual Meeting of Stockholders; accordingly, Mr. Green was no longer on the Board or its committees following the Annual Meeting on July 24, 2025.

(h) Ms. Jones resigned from the Board of Directors on April 19, 2025.

As described above, stock awards were issued to each non-employee director who elected to receive all or part of his or her director compensation in the form of our common stock generally within five days following each applicable calendar quarter-end. Commencing in 2025, non-employee directors serving immediately prior to each annual meeting were eligible to receive a grant of shares of common stock for their services as a director for the prior year. In July 2025, the non-employee directors received a grant of shares of common stock valued at approximately $30,000. All of our

personnel, as well as non-employee directors, are subject to trading restrictions with regard to our common stock, and trading may only occur during a "trading window." Provided that any such party does not possess material, non-public information about us, this trading period generally commences on the next trading day following two trading days after the public release of quarterly or annual financial information and continues until the close of business on the 10th calendar day of the last month of a fiscal quarter.

The following numbers of shares of our common stock were issued to our directors as director fees for services performed during 2025:

Name	Number of Shares
Rhodes R. Bobbitt	957
Tracy A. Bolt	4,228
J. Taylor Crandall	957
Gerald J. Ford	2,222
J. Markham Green	957
Charlotte Jones	285
Lee Lewis	957
W. Robert Nichols, III	957
Thomas C. Nichols	957
Kenneth D. Russell	957
A. Haag Sherman	957
Jonathan S. Sobel	1,778
Robert C. Taylor, Jr.	1,905
Carl B. Webb	2,603

For further information about the stockholdings of these directors and our management, see "Security Ownership of Certain Beneficial Owners and Management" commencing on page 24 of this Proxy Statement.

BOARD COMMITTEES

General

The Board of Directors has established committees to assist it in carrying out its duties. In particular, committees work on key issues in greater detail than would be practical at a meeting of all the members of the Board of Directors. Each committee reviews the results of its deliberations with the full Board of Directors.

The standing committees of the Board of Directors currently consist of the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, the Risk Committee, the Investment Committee and the Executive Committee. The Merger and Acquisition Committee was dissolved by the Board of Directors in January 2026. A more detailed description of these committees is set forth below. Our Board of Directors may, from time to time, establish certain other committees to facilitate the Board of Directors duties as needed. The Board of Directors has adopted a written charter for each of these committees. Current copies of the charters for each of the foregoing committees, as well as our Corporate Governance Guidelines, Code of Ethics and Business Conduct, or the General Code of Ethics and Business Conduct, and Code of Ethics for Chief Executive and Senior Financial Officers, or the Senior Officer Code of Ethics, may be found on our website at ir.hilltop.com, under the heading "Investor

Relations — Overview — Governance Documents." Printed versions also are available to any stockholder who requests them by contacting our corporate Secretary at the address listed within the section titled "Additional Information — Who can help answer my questions?"

Committee Membership

The following table shows the membership as of December 31, 2025[(a) (b) (c) (d)], as well as 2025 fiscal year meeting information for, each of the committees of the Board of Directors.

		Rhodes Bobbitt *	J. Taylor Crandall *	Hill A. Feinberg	Jeremy B. Ford	Lee Lewis	W. Robert Nichols, III *	Thomas C. Nichols *	Kenneth D. Russell	Jonathan S. Sobel	Robert C. Taylor, Jr.*	Carl B. Webb	Meetings in Fiscal 2025
COMMITTEES	AUDIT		Member				Member	C					6
	COMPENSATION	Member					Member				Member		6
	NOMINATING AND CORPORATE GOVERNANCE		Member				C				Member		6
	RISK		Member					C	Member				4
	INVESTMENT	C				Member				Member	Member		4
	MERGER AND ACQUISITION	Member	C				Member	Member			Member		0
	EXECUTIVE		Member		C							Member	8

C Chairman Member

* Denotes independent director.

(a) Messrs. Bolt and Sherman resigned as directors effective August 27, 2025. Accordingly, they no longer served as members of any committees of the Board of Directors following that date.

(b) Mr. Gerald J. Ford was appointed Chairman Emeritus effective April 24, 2025. Accordingly, he no longer served as a member of any committees of the Board of Directors following that date. Effective July 8, 2025, Mr. Gerald J. Ford resigned as Chairman Emeritus.

(c) Mr. Green elected not to stand for re-election at the 2025 Annual Meeting of Stockholders; accordingly, he no longer served as a member of any committees of the Board of Directors following the Annual Meeting on July 24, 2025.

(d) Ms. Jones resigned as a director effective April 19, 2025. Accordingly, she no longer served as a member of any committees of the Board of Directors following that date.

AUDIT COMMITTEE

We have a standing Audit Committee established within the meaning of Section 3(a)(58)(A) of the Exchange Act. The Audit Committee helps our Board of Directors ensure the integrity of our financial statements, the qualifications and independence of our independent registered public accounting firm and the performance of our internal audit function and independent registered public accounting firm. In furtherance of those matters, the Audit Committee assists in the establishment and maintenance of our internal audit controls, selects, meets with and assists the independent registered public accounting firm, oversees each annual audit and quarterly review and prepares the report that federal securities laws required be included in our annual proxy statement, which appears on page 78. Our Board of Directors has reviewed the education, experience and other qualifications of each member of the Audit Committee. Based upon that review, our Board of Directors determined that each member of the Audit Committee is financially literate as required by NYSE rules and that each of Ms. Bober and Mr. Haworth qualify as an "audit committee financial expert," as defined by the rules of the SEC. Our Board of Directors has affirmatively determined that each member of the Audit Committee is independent in accordance with Rule 10A-3 of the Exchange Act and the listing standards of the NYSE applicable to Audit Committee members. Currently, none of our Audit Committee members serve on the audit committees of three or more public companies.

COMPENSATION COMMITTEE

The Compensation Committee reviews and approves the compensation and benefits of our executive officers, administers the Hilltop Holdings Inc. Annual Incentive Plan and the 2020 Equity Incentive Plan, and produces the annual report on executive compensation for inclusion in our annual proxy statement, which appears on page 55. Each member is independent in accordance with Rule 10C-1 under the Exchange Act and the listing standards of the NYSE applicable to Compensation Committee members.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The Nominating and Corporate Governance Committee's purpose is as follows:

- Identify, screen and recommend to our Board of Directors individuals qualified to serve as members, and on committees, of the Board of Directors;
- Advise our Board of Directors with respect to the composition, procedures and committees of the Board of Directors;
- Advise our Board of Directors with respect to the corporate governance principles applicable to the Company;
- Oversee the evaluation of the Board of Directors and our management; and
- Oversee our Environmental, Social and Governance Committee and its efforts and initiatives, including the report we produce annually.

Each member of the Nominating and Corporate Governance Committee is independent in accordance with the listing standards of the NYSE.

RISK COMMITTEE

The purpose of the Risk Committee is to provide assistance to the Board of Directors in its oversight of:

- The Company's risk governance structure;

- The Company's risk tolerance;
- The Company's risk management and risk assessment guidelines and policies regarding market, credit, operational, liquidity, funding, strategic, regulatory, cybersecurity, and such other risks as necessary;
- The Company's capital, liquidity and funding; and
- The performance of the Company's enterprise risk function.

The duties assigned to the Risk Committee are meant to ensure that there is an effective system reasonably designed to evaluate and control risk throughout the Company.

INVESTMENT COMMITTEE >>

The Investment Committee is responsible for, among other things, reviewing investment policies, strategies and programs; reviewing the procedures that we utilize in determining that funds are invested in accordance with policies and limits approved by the Investment Committee; and reviewing the quality and performance of our investment portfolios and the alignment of asset duration to liabilities.

MERGER AND ACQUISITION COMMITTEE >>

Prior to its dissolution in January 2026, the purpose of the Merger and Acquisition Committee was to review potential mergers, acquisitions or dispositions of material assets or a material portion of any business proposed by management and to report its findings and conclusions to the Board of Directors. Each member of the Merger and Acquisition Committee was independent in accordance with the listing standards of the NYSE.

EXECUTIVE COMMITTEE >>

The Executive Committee, with certain exceptions, has the power and authority of the Board of Directors to manage the affairs of the Company between meetings of the Board of Directors.

CORPORATE GOVERNANCE

General

We are committed to good corporate governance practices and, as such, we have adopted formal corporate governance guidelines to maintain our effectiveness in such practices. The guidelines govern, among other things, board member qualifications, responsibilities, education and executive sessions. A copy of the corporate governance guidelines may be found at our corporate website at ir.hilltop.com under the heading "Investor Relations — Overview — Governance Documents." A copy also may be obtained upon request from our corporate Secretary at the address listed within the section titled "Additional Information — Who can help answer my questions?"

Board Leadership Structure

While the Board of Directors does not have a policy on whether the role of the Chairman and Chief Executive Officer should be separate or combined, we believe it is best practice to appoint a lead independent director when such roles are held by one person. Our corporate governance guidelines call for the appointment of a lead independent director in the event that the Chairman of the Board of Directors is not independent. Prior to April 2025, we had separated the offices of Chief Executive Officer and Chairman of the Board of Directors as a means of separating management of the Company from our Board of Director's oversight of management. On April 24, 2025, Mr. Jeremy B. Ford was appointed

Chairman of the Board of Directors. As a result of Mr. Jeremy B. Ford holding both the Chairman of the Board of Directors and Chief Executive Officer, the Board of Directors appointed Mr. Tracy Bolt as lead independent director. On August 27, 2025, Mr. Bolt resigned from the Board of Directors and was succeeded by Mr. Crandall as lead independent director. The lead independent director's duties include coordinating the activities of the independent directors, coordinating the agenda and moderating sessions of the independent directors and other non-management directors and facilitating communications between the other members of the Board of Directors.

Risk Oversight

Our Board of Directors and the Risk Committee of the Board of Directors oversee an enterprise-wide approach to risk management, including cybersecurity risks, intended to support the achievement of organizational and strategic objectives, improve long-term organizational performance, and enhance stockholder value. Our Board of Directors and the Risk Committee are actively involved in establishing and refining our business strategy, including assessing management's appetite for risk and determining the appropriate level of overall risk for the Company. The Company conducts continual assessments through its enterprise risk function.

BOARD OF DIRECTORS AND RISK COMMITTEE

While the Board of Directors has the ultimate oversight responsibility for the risk management process, various committees of the Board of Directors outside of the Risk Committee also have responsibility for risk management.

AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE	INVESTMENT COMMITTEE
• focuses on financial risk exposures, including internal controls • from time to time, discusses and evaluates matters of risk, risk assessment and risk management with our management team	• responsible for overseeing the management of risk associated with our compensation policies and arrangements	• ensures that the internal processes by which we are governed are consistent with prevailing governance practices and applicable laws and regulations	• ensures that our funds are invested in accordance with policies and limits approved by it

Our Senior Officer Code of Ethics, General Code of Ethics and Business Conduct, committee charters and other governance documents are reviewed by the appropriate committees to confirm continued compliance, ensure that the totality of our risk management processes and procedures are appropriately comprehensive and effective and that those processes and procedures reflect established practices.

Board Performance

Our Board of Directors conducts an annual evaluation of performance with a view to improving effectiveness of the Board of Directors and its committees. In addition, the full Board of Directors reviews annually the qualifications and effectiveness of the Audit Committee and its members.

Director Qualifications for Service

The Nominating and Corporate Governance Committee considers a variety of factors when evaluating a potential candidate to fill a vacancy on the Board of Directors or when the nomination of an incumbent director for re-election is under consideration. The Nominating and Corporate Governance Committee and the Board of Directors strive to balance a diverse mix of experience, perspective, skill and background with the practical requirement that the Board of Directors will operate collegially, with the common purpose of overseeing our business on behalf of our stockholders. We believe that all of our directors possess relevant experience, and each of them approaches the business of the Board of Directors and his or her responsibilities with great seriousness of purpose. Further information, with respect to each director, his or her particular experience, qualifications, attributes and skills that qualify him or her to serve as a director, is set forth within “Proposal One — Election of Directors — Nominees for Election as Directors” beginning on page 2.

Executive Board Sessions

The current practice of our Board of Directors is to hold an executive session of its non-management directors at least once per quarter. Prior to April 24, 2025, the individual who served as the chair at these executive sessions was the former Chairman of the Board of Directors. Executive sessions of the independent directors of the Board of Directors were also held at least once per fiscal year, and at each executive session, prior to April 24, 2025, the independent directors selected from amongst themselves an independent director to preside over such executive session. As previously discussed, on April 24, 2025, the Board of Directors appointed Mr. Bolt as lead independent director. On August 29, 2025, after Mr. Bolt’s resignation as a director, the Board of Directors appointed Mr. Crandall as lead independent director. Currently, Mr. Crandall presides over the quarterly executive sessions of the Board of Directors.

Communications with Directors

Our Board of Directors has established a process to receive communications from stockholders and other interested parties. Stockholders and other interested parties may contact any member or all members of the Board of Directors, the non-management directors or any group or committee of directors by mail. To communicate with our Board of Directors, any individual director or any group or committee of directors, correspondence should be addressed to the Board of Directors or any such individual director or group or committee of directors by either name or title. The correspondence should be sent to Hilltop Holdings Inc., c/o Corporate Secretary, 6565 Hillcrest Avenue, Dallas, Texas 75205.

All communications received as set forth in the preceding paragraph will be opened by the corporate Secretary or assistant corporate Secretary for the sole purpose of determining whether the contents represent a message to our directors. Any contents that are not in the nature of advertising, promotions of a product or service or patently offensive material will be forwarded promptly to the addressee(s). In the case of communications to the Board of Directors or any group or committee of directors, the corporate Secretary’s office will make sufficient copies of the

contents to send to each director who is a member of the group or committee to whom the communication is addressed. If the amount of correspondence received through the foregoing process becomes excessive, our Board of Directors may consider approving a process for review, organization and screening of the correspondence by the corporate Secretary or other appropriate person.

Code of Business Conduct and Ethics

We have adopted a Code of Ethics for Chief Executive and Senior Financial Officers applicable to our Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, Chief Investment Officer, and Chief Information Officer. We also have adopted a General Code of Ethics and Business Conduct applicable to all officers, directors and employees. Both codes are available on our website at ir.hilltop.com under the heading "Overview — Governance Documents." Copies also may be obtained upon request by writing our corporate Secretary at the address listed within the section titled "Additional Information — Who can help answer my questions?". We intend to disclose any amendments to, or waivers from, our Senior Officer Code of Ethics and our General Code of Ethics and Business Conduct at the same website address provided above.

Insider Trading Policy

The Company has adopted a written Insider Trading Policy, or the Trading Policy, which sets forth the Company's policies and procedures. Directors and executive officers are required to receive pre-clearance from General Counsel prior to entering into any transactions in our securities, including gifts, grants and those involving derivatives. Generally, trading is permitted only during announced trading periods for directors, executive officers and certain employees. Directors, executive officers and employees who are subject to trading restrictions, may enter into a trading plan that complies with the conditions of Rule 10b5-1 under the Exchange Act. These trading plans may be entered into only during an open trading period and must be approved by the General Counsel. We require trading plans to include a waiting period and the trading plans may not be amended during their term. Such director or employee bears full responsibility if he or she violates our policy by permitting shares to be bought or sold without pre-clearance or when trading is restricted.

Hedging and Other Prohibited Transactions

The Insider Trading Policy prohibits all employees, executive officers and directors from entering into hedging, short sale and derivative transactions and are subject to restrictions on pledging our securities. Additionally, all employees, executive officers and directors are prohibited from hedging or pledging unvested RSUs. The Trading Policy is available on our website at ir.hilltop.com under the heading "Overview — Governance Documents," and is filed as Exhibit 19.1 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Policies and Procedures for Approval of Related Party Transactions

Transactions with related persons are governed by our General Code of Ethics and Business Conduct, which applies to all officers, directors and employees. This code covers a wide range of potential activities, including, among others, conflicts of interest, self-dealing and related party transactions.

The Company also has adopted a written Related Party Transaction Policy, or the Related Party Policy, which sets forth the Company's policies and procedures for reviewing and approving transactions with related persons – namely, our directors, executive officers, their respective immediate family members and 5% stockholders. The transactions

covered by the Policy include any financial transaction, arrangement or relationship in which the Company is a participant, the related person has or will have a direct or indirect material interest and the aggregate amount involved will or may be expected to exceed $120,000 in any fiscal year.

After becoming aware of any transaction that may be subject to the Related Party Policy, the related person is required to report all relevant facts with respect to the transaction to the Chief Executive Officer or General Counsel of Hilltop. Upon determination by the Company's legal department that a transaction requires review under the Related Party Policy, the material facts of the transaction and the related person's interest in the transaction are provided to the Audit Committee. The transaction is then reviewed by the disinterested members of the Audit Committee, who determine whether approval of the transaction shall be granted. In reviewing a transaction, the Audit Committee considers facts and circumstances that it deems relevant to its determination, such as: management's assessment of the commercial reasonableness of the transaction; the materiality of the related person's direct or indirect interest in the transaction; whether the transaction may involve an actual, or the appearance of, a conflict of interest; and, if the transaction involves a director, the impact of the transaction on the director's independence.

Certain types of transactions are pre-approved in accordance with the terms of the Related Party Policy. These include transactions in the ordinary course of business involving financial products and services provided by, or to, the Company, including loans, provided that such transactions are in compliance with Sarbanes-Oxley, Federal Reserve Board Regulation O and other applicable laws and regulations.

Stockholder Rights and Protections

The Company's Amended and Restated Charter and Bylaws provide stockholders with important rights and protections, including:

- The ability to call a special meeting by stockholders holding at least 15% of the outstanding shares of our common stock, subject to a one-year ownership requirement and certain other requirements.
- No "poison pill" in effect.
- No super-majority vote requirements in our Amended and Restated Charter or By-laws (other than for an action by written consent).

The Company's Amended and Restated Charter and By-laws are available as exhibits to our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with SEC.

DIRECTOR NOMINATION PROCEDURES

The Nominating and Corporate Governance Committee believes that, at a minimum, candidates for membership on the Board of Directors should have a demonstrated ability to make a meaningful contribution to the Board of Directors' oversight of our business and affairs and have a record and reputation for honest and ethical conduct. The Nominating and Corporate Governance Committee recommends director nominees to the Board of Directors based on, among other things, its evaluation of a candidate's experience, knowledge, skills, expertise, integrity, ability to make independent analytical inquiries, understanding of our business environment and a willingness to devote adequate time and effort to board responsibilities. In making its recommendations to the Board of Directors, the Nominating and Corporate Governance Committee also seeks to have the Board of Directors nominate candidates who have diverse backgrounds and areas of expertise so that each member can offer a unique and valuable perspective.

The Nominating and Corporate Governance Committee expects, in the future, to identify potential nominees by asking current directors and executive officers to notify the committee if they become aware of persons who meet the criteria described above. The Nominating and Corporate Governance Committee also, from time to time, may engage firms, at our expense, which specialize in identifying director candidates. As described below, the Nominating and Corporate Governance Committee also will consider candidates recommended by stockholders.

Once a person has been identified by the Nominating and Corporate Governance Committee as a potential candidate, the committee expects to collect and review publicly available information regarding the person to assess whether the person should be considered further. If the Nominating and Corporate Governance Committee determines that the candidate warrants further consideration, and if the person expresses a willingness to be considered and to serve on the Board of Directors, the Nominating and Corporate Governance Committee expects to request information from the candidate, review the person's accomplishments and qualifications, including in light of any other candidates that the committee might be considering, and conduct one or more interviews with the candidate. In certain instances, members of the Nominating and Corporate Governance Committee may contact one or more references provided by the candidate or may contact other members of the business community or other persons that may have greater first-hand knowledge of the candidate's accomplishments.

In addition to formally nominating individuals for election as directors in accordance with our Amended and Restated Bylaws, as summarized below on page 81 under "Stockholder Proposals for 2027," stockholders may send written recommendations of potential director candidates to the Nominating and Corporate Governance Committee for its consideration. Such recommendations should be submitted to the Nominating and Corporate Governance Committee "c/o Corporate Secretary" at Hilltop Holdings Inc., 6565 Hillcrest Avenue, Dallas, Texas 75205. Director recommendations submitted by stockholders should include the following information regarding the stockholder making the recommendation and the individual(s) recommended for nomination:

- name, age, business address and residence address;
- the class, series and number of any shares of Hilltop stock or other securities of Hilltop or any affiliate of Hilltop owned, beneficially or of record (including the name of the nominee holder if beneficially owned);
- the date(s) that shares of Hilltop stock or other securities of Hilltop or any affiliate of Hilltop were acquired and the investment intent of such acquisition;
- any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any securities of Hilltop or any affiliate of Hilltop;
- whether and the extent to which such person, directly or indirectly (through brokers, nominees or otherwise), is subject to or during the prior six months has engaged in, any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (a) manage risk or benefit of changes in the price of Hilltop securities or any security of any entity listed in the peer group in the stock performance graph included in the materials distributed with this Proxy Statement or (b) increase or decrease the voting power of such person in Hilltop disproportionately to such person's economic interest in Hilltop securities (or, as applicable, any security of any entity listed in the peer group in the stock performance graph included in the materials distributed with this Proxy Statement);

- any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with us), by security holdings or otherwise of such person in us or in any of our affiliates, other than an interest arising from the ownership of securities where such person receives no extra or special benefit not shared on a pro rata basis by all other holders of the same class or series;
- the investment strategy or objective, if any, of the stockholder making the recommendation and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors, or potential investors, in such stockholder (if not an individual);
- to the extent known by the stockholder making the recommendation, the name and address of any other stockholder supporting the nominee for election or re-election as a director;
- a certificate executed by the proposed nominee that certifies that the proposed nominee is not, and will not, become a party to any agreement, arrangement or understanding with any person or entity other than us in connection with service or action as a director that has not been disclosed to us and that the proposed nominee consents to being named in a proxy statement and will serve as a director if elected;
- completed proposed nominee questionnaire, which will be provided upon request by writing or telephoning our corporate Secretary at the address or phone number listed within the section titled "Additional Information — Who can help answer my questions?";
- a representation that such stockholder or proposed nominee intends, or is part of a group which intends, to solicit the holders of shares representing at least 67% of the voting power of shares entitled to vote on the election of directors in support of the proposed nominees in accordance with Rule 14a-19 promulgated under the Exchange Act, or the manner in which the stockholder intends to otherwise act in accordance therewith;
- a description of any agreement, arrangement or understanding between or among such stockholder giving the notice and the proposed nominee that will be material in such stockholder's solicitation of stockholders (including, without limitation, matters of social, labor, environmental and governance policy), regardless of whether such agreement, arrangement or understanding relates specifically to us;
- to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director on the date of such stockholder's notice;
- a written representation executed by the stockholder that such stockholder will (a) comply and comply with Rule 14a-19 promulgated under the Exchange Act in connection with such stockholder's solicitation of proxies in support of the proposed nominee, (b) notify us as promptly as practicable of any determination by the stockholder to no longer solicit proxies for the election of any proposed nominee as a director, (c) furnish such other or additional information as Hilltop may request for the purpose of determining whether these requirements have been met, and (d) appear in person (or by remote communication, if applicable) or by proxy at the meeting to nominate the proposed nominee and acknowledge that if the stockholder does not so appear in person (or by remote communication, if applicable), or by proxy at the meeting to nominate such proposed nominee, Hilltop need not bring such proposed nominee for a vote at such meeting, and any proxies or votes cast in favor of the election of any such proposed nominee need not be counted or considered; and

- all other information that would be required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act and the rules promulgated thereunder.

The stockholder recommendation of potential director candidates and information described above must be delivered to the corporate Secretary not earlier than the 120th day and not later than 5:00 p.m., Dallas, Texas local time, on the 90th day prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting of stockholders; provided, however, that if the date of the annual meeting is advanced more than 30 days prior to, or delayed by more than 60 days after, the first anniversary of the date of the preceding year's annual meeting, the stockholder recommendation and information must be delivered not earlier than the 120th day prior to the date of such annual meeting and not later than 5:00 p.m., Dallas, Texas local time, on the later of the 90th day prior to the date of such annual meeting of stockholders or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the date on which public announcement of the date of such annual meeting is first made. In the event, however, the number of directors to be elected to the Board of Directors is increased and there is no public announcement of such action at least 100 days prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting, a stockholder recommendation also will be considered timely, but only with respect to nominees for any new positions created by the increase, if it is delivered to the corporate Secretary not later than 5:00 p.m., Dallas, Texas local time, on the 10th day following the day on which the public announcement is first made. The stockholder must provide any updates or supplements to such notice at the time and in the forms required by Hilltop's bylaws then in effect.

The Nominating and Corporate Governance Committee expects to use a similar process to evaluate candidates for nomination to the Board of Directors recommended by stockholders as the one it uses to evaluate candidates otherwise identified by the committee.

Russell Reynolds Associates was engaged by Hilltop to identify and evaluate the appointment of Ms. Bober and Mr. Haworth. We may engage third-parties in the future to identify and evaluate additional nominees.

The Nominating and Corporate Governance Committee did not receive the name of any stockholder recommendations for director nominees with respect to the Annual Meeting.

The Nominating and Corporate Governance Committee did not receive any recommendations for director nominees from any non-management stockholder or group of stockholders that beneficially owns more than 5% of our common stock.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding our common stock beneficially owned as of April 27, 2026 by any person or "group," as that term is used in Section 13(d)(3) of the Exchange Act, known to us to beneficially own more than five percent of the outstanding shares of our common stock.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (a)
Gerald J. Ford (b) 6565 Hillcrest Avenue, 6th Floor Dallas, Texas 75205	15,651,330	26.7 %
BlackRock, Inc. (c) 50 Hudson Yards New York, New York 10001	6,881,044	11.8 %
Dimensional Fund Advisors LP (d) Building One 6300 Bee Cave Road Austin, Texas 78746	3,065,664	5.2 %

(a) Based on 58,530,197 shares of common stock outstanding on April 27, 2026. Shares issuable under instruments to purchase our common stock that are exercisable within 60 days of April 27, 2026 are treated as if outstanding for computing the percentage ownership of the person holding these instruments, but are not treated as outstanding for purposes of computing the percentage ownership of any other person.

(b) The shares of common stock beneficially owned by Mr. Gerald J. Ford include 98,789 shares that are owned by Turtle Creek Revocable Trust, a revocable trust for the benefit of the members of Mr. Gerald J. Ford's family, and indirectly by Mr. Gerald J. Ford as settlor and trustee of the trust. Mr. Gerald J. Ford disclaims beneficial ownership of the shares held by the trust except to the extent of his pecuniary interest therein. Also includes 15,544,674 shares owned by Diamond A Financial, LP. Mr. Gerald J. Ford is the sole member of Diamond HTH Stock Company GP, LLC, which is the sole general partner of Diamond HTH Stock Company, LP, which is the sole general partner of Diamond A Financial, LP. Mr. Gerald J. Ford is the sole limited partner of Diamond HTH Stock Company, LP. Each of Mr. Gerald J. Ford, Diamond A Financial, LP, Diamond HTH Stock Company, LP and Diamond HTH Stock Company GP, LLC may be deemed to have shared voting and dispositive power of these shares.

(c) Based on the Schedule 13G (Amendment No. 2) filed with the SEC by BlackRock, Inc. on July 18, 2025. According to the Schedule 13G (Amendment No. 2), BlackRock, Inc. has sole voting power over 6,762,719 shares of our common stock and sole dispositive power over 6,881,044 shares of our common stock. According to the Schedule 13G (Amendment No. 2), BlackRock, Inc. is a parent holding company or control person, and various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of our common stock. The Schedule 13G (Amendment No. 2) reports that Blackrock Fund Advisors, a wholly owned subsidiary of Blackrock, Inc., is the beneficial owner of 5% or greater of the outstanding shares of the security class reported on the Schedule 13G (Amendment No. 2).

(d) Based on the Schedule 13G (Amendment No. 2) filed with the SEC by Dimensional Fund Advisors LP on April 15, 2025. According to the Schedule 13G (Amendment No. 2), Dimensional Fund Advisors LP has sole voting power over 3,009,603 shares of our common stock and sole dispositive power over 3,065,664 shares of our common stock.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information regarding the number of shares of our common stock beneficially owned as of April 27, 2026, by:

- each of our directors and director nominees;
- each of our named executive officers; and
- all of our directors and executive officers presently serving, as a group.

Except as otherwise set forth below, the address of each of the persons listed below is c/o Hilltop Holdings Inc., 6565 Hillcrest Avenue, Dallas, Texas 75205. Except as otherwise indicated in the footnotes to this table, the persons named in the table have specified that they have sole voting and investment power with respect to all shares of stock shown as beneficially owned by them, subject to any applicable community property law.

	Common Stock	
Name of Beneficial Owner	**Amount and Nature of Beneficial Ownership**	**Percent of Class (a)**
Rhodes Bobbitt	127,016 (b)	*
Dana Bober	—	*
J. Taylor Crandall	957	*
Hill A. Feinberg	528,700 (c)	*
Jeremy B. Ford	1,523,967 (d)	2.6%
William B. Furr	168,681 (e)	*
Stephen Haworth	—	*
Lee Lewis	108,908 (f)	*
W. Robert Nichols, III	15,457 (g)	*
Thomas C. Nichols	17,137 (h)	*
Corey G. Prestidge	166,700 (i)	*
Kenneth D. Russell	957	*
Jonathan S. Sobel	128,331	*
Robert C. Taylor, Jr.	45,087	*
Stephen Thompson	73,115 (j)	*
Carl B. Webb	130,555	*
M. Bradley Winges	27,522 (k)	*
All Directors and Executive Officers, as a group (19 persons)	3,152,739 (l)	5.4%

* Represents less than 1% of the outstanding shares of such class.

(a) Based on 58,530,197 shares of common stock outstanding on April 27, 2026. Shares issuable under instruments to purchase our common stock that are exercisable within 60 days of April 27, 2026 are treated as if outstanding for computing the percentage ownership of the person holding these instruments, but are not treated as outstanding for purposes of computing the percentage ownership of any other person.

(b) Includes 62,100 shares of common stock held in an IRA account for the benefit of Mr. Bobbitt.

(c) Includes 10,000 shares of common stock held directly by Mr. Feinberg's wife.

(d) Jeremy B. Ford is a beneficiary of a trust that owns a 49% limited partnership interest in Diamond A Financial, LP (see footnote (b) to the Principal Stockholders table on the prior page). Excludes 240,136 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026 and 15,544,674 shares of common stock held by Diamond A Financial, LP.

(e) Excludes 58,387 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026.

(f) Includes 55,169 shares of common stock held by Lee Lewis Construction. Mr. Lewis is the sole owner of Lee Lewis Construction and may be deemed to have voting and/or investment power with respect to the shares owned by Lee Lewis Construction.

(g) Includes 9,442 shares of common stock held in an IRA account for the benefit of Mr. W. Robert Nichols, III and 5,000 shares of common stock held directly by Mr. W. Robert Nichols's wife.

(h) Includes 2,000 shares of common stock held in an IRA account for the benefit of Mr. Thomas C. Nichols.

(i) Excludes 40,216 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026. Mr. Prestidge's wife is a beneficiary of a trust that owns a 49% limited partnership interest in Diamond A Financial, LP. Accordingly, excludes 15,544,674 shares of common stock held by Diamond A Financial, LP.

(j) Excludes 66,545 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026.

(k) Excludes 126,278 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026.

(l) Represents 19 persons. Excludes 558,489 shares of common stock deliverable upon the vesting of RSUs that will not vest within 60 days of April 27, 2026.

EXECUTIVE COMPENSATION

EXECUTIVE OFFICERS

General

We have identified the following officers as "executive officers," as such term is defined by the SEC, as of April 27, 2026:

Name	Age	Position	Officer Since
Keith E. Bornemann	53	Executive Vice President, Chief Accounting Officer	2017
Jeremy B. Ford (a)	51	Chairman, President and Chief Executive Officer of Hilltop and Chief Executive Officer of PlainsCapital Bank	2010
William B. Furr	48	Executive Vice President, Chief Financial Officer	2016
Darren E. Parmenter	63	Executive Vice President, Chief Administrative Officer	2007
Corey G. Prestidge	52	Executive Vice President, General Counsel and Secretary	2008
Stephen Thompson	64	President and Chief Executive Officer of PrimeLending	2020
M. Bradley Winges	58	President and Chief Executive Officer of Hilltop Securities	2019

(a) Mr. Jeremy Ford was appointed Chairman of the Board of Hilltop on April 24, 2025.

Business Experience of Executive Officers

Information concerning the business experience of Mr. Jeremy B. Ford is set forth above under "Proposal One — Election of Directors — Nominees for Election as Directors" beginning on page 2.

Keith E. Bornemann. Mr. Bornemann has served as the Executive Vice President and Chief Accounting Officer of Hilltop since July 2020. Mr. Bornemann previously served as Executive Vice President and Principal Accounting Officer of Hilltop from November 2017 to July 2020 and Corporate Controller of Hilltop from February 2017 to July 2020. He also served as Senior Vice President and Director of Accounting and Reporting of Hilltop from January 2016 to January 2017 and Vice President of Financial Reporting of Hilltop from January 2013 to January 2016. Prior to joining Hilltop in 2013, Mr. Bornemann was the Vice President and Corporate Controller at First Acceptance Corporation and spent nine years working for the accounting firm Ernst & Young LLP.

William B. Furr. Mr. Furr has served as the Chief Financial Officer of Hilltop since September 2016. Prior to joining Hilltop, Mr. Furr served as Executive Vice President and Community Bank Chief Financial Officer for KeyCorp from November 2012 to August 2016. Before joining KeyCorp, Mr. Furr served in various financial leadership roles at Regions Financial Corporation and Bank of America Corporation.

Darren E. Parmenter. Mr. Parmenter has served as Executive Vice President and Chief Administrative Officer of Hilltop since September 2016. Mr. Parmenter previously served as Executive Vice President and Principal Financial Officer of Hilltop from February 2014 to September 2016 and as Senior Vice President of Finance of Hilltop from June 2007 to February 2014. From January 2000 to June 2007, Mr. Parmenter was with Hilltop's predecessor, Affordable Residential Communities Inc., and served as the Controller of Operations from April 2002 to June 2007. Prior to 2000, Mr. Parmenter was employed by Albertsons Inc. as an Assistant Controller.

Corey G. Prestidge. Mr. Prestidge has served as an Executive Vice President of Hilltop since February 2014 and General Counsel and Secretary of Hilltop since January 2008. From November 2005 to January 2008, Mr. Prestidge was the Assistant General Counsel of Mark Cuban Companies. Prior to that, Mr. Prestidge was an associate in the corporate and securities practice group at Jenkens & Gilchrist, a Professional Corporation, which is a former national law firm. Mr. Prestidge is the son-in-law of Gerald J. Ford and the brother-in-law of Jeremy B. Ford. Mr. Prestidge also serves as a director of First Acceptance Corporation since 2025.

Stephen Thompson. Mr. Thompson has served as the President and Chief Executive Officer of PrimeLending since January 2020, a continuation of his previous role as President of PrimeLending since 2017. Mr. Thompson joined PrimeLending in 2011 and has held the roles of Regional Production Leader, Divisional Production Leader and National Production Leader. Mr. Thompson has over 30 years of mortgage banking experience.

M. Bradley Winges. Mr. Winges has served as the President and Chief Executive Officer of Hilltop Securities since February 2019. Prior to joining Hilltop Securities, Mr. Winges most recently served as Senior Executive Managing Director at Piper Jaffray, where he had worked since February 1991. While at Piper Jaffray, he was a member of the firm's leadership team and held the roles of Head of Fixed Income Services and Firm Investments and Trading, President of Piper Jaffray Investment Management, Firm Risk Management, Head of Hopewood Lane Trading, Co-Head of Piper Jaffray Financial Products, Head of Municipal Sales and Trading and Institutional Municipal Sales Representative. Mr. Winges also is a member of the Board of the Bond Dealers of America and a committee member of the Fixed Income Market Structure at the SEC.

Terms of Office and Relationships

Our executive officers are elected by our Board of Directors annually or, as necessary, to fill vacancies or newly created offices. Each executive officer holds office until his successor is duly elected and qualified or, if earlier, until his death, resignation or removal. Any officer or agent elected or appointed by our Board of Directors may be removed by our Board of Directors whenever, in its judgment, our best interests will be served, but any removal will be without prejudice to the contractual rights, if any, of the person so removed.

Except as disclosed under "Proposal One — Election of Directors — Nominees for Election as Directors" commencing on page 2 and under "Executive Compensation — Executive Officers — Business Experience of Executive Officers" on page 27, (a) there are no familial relationships among any of our current directors or executive officers and (b) none of our director nominees hold, or in the last five years have held, directorships in any company with a class of securities registered pursuant to Section 12 of the Exchange Act or pursuant to Section 15(d) of the Exchange Act or any company registered as an investment company under the Investment Company Act of 1940.

Except as set forth in this Proxy Statement, there are no arrangements or understandings between any nominee for election as a director or officer and any other person pursuant to which that director was nominated or that officer was selected.

COMPENSATION DISCUSSION AND ANALYSIS

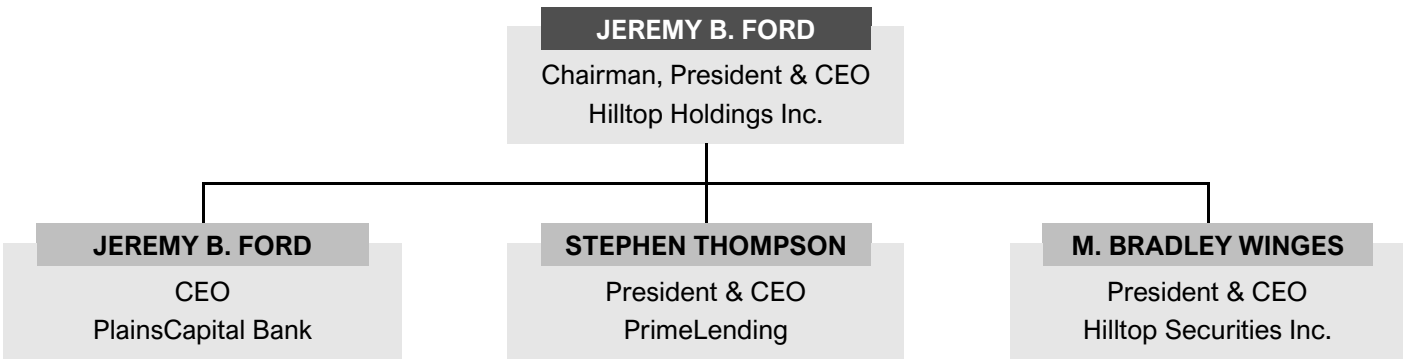
This Compensation Discussion and Analysis, or this CD&A, reviews the compensation program for our named executive officers, or NEOs, which include our principal executive officer, principal financial officer and our three other most highly-compensated executive officers who served during the year ended December 31, 2025.

For 2025, our NEOs were:

NAMED EXECUTIVE OFFICER	TITLE/ROLE
Jeremy B. Ford (a)	Chairman, President and Chief Executive Officer of Hilltop and Chief Executive Officer of PlainsCapital Bank
William B. Furr	Executive Vice President, Chief Financial Officer
M. Bradley Winges	President and Chief Executive Officer of Hilltop Securities
Stephen Thompson	President and Chief Executive Officer of PrimeLending
Corey G. Prestidge	Executive Vice President, General Counsel and Secretary

(a) Mr. Jeremy Ford was appointed Chairman of the Board of Hilltop on April 24, 2025.

The following is the reporting structure for our operating subsidiaries:



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EXECUTIVE SUMMARY

Key Compensation Program Highlights

- We conducted stockholder outreach that expressed favorable opinions of our current compensation program;
- Consistent with prior years, no increases were made to the base salaries of NEOs in 2025 and 2026;
- No discretionary bonuses were awarded for 2025 performance;
- Despite earning a payout under the 2025 annual incentive plan, Mr. Jeremy B. Ford elected not to receive any cash incentive compensation for the 2025 fiscal year to acknowledge the low say-on-pay vote at our 2025 Annual Meeting of Stockholders;
- Other NEOs received cash incentive compensation between 72% and 130% of target based on the achievement of performance goals under our 2025 annual incentive plan;
- Performance-Based Restricted Stock Units, or PRSUs, granted to our executives in 2023 vested at 80.5% of target reflecting EPS and relative TSR results, following a 0% payout from our 2022 PRSUs;
- NEOs continued to receive grants of equity through a mix of PRSUs and Time-Based Restricted Stock Units, or TRSUs (weighted equally), with the equity representing 64% of our CEO's target compensation;
- Consolidated net income for 2025 was 47% greater than 2024;
- 2025 return on average assets and average equity was 1.1% and 7.6%, respectively;
- Business model continues to provide ample capital, liquidity and funding, as well as diversified earnings in various economic and interest rate environments;
- Implementation of automation and artificial intelligence in a prudent manner to drive efficiency;
- Enterprise corporate expenses are lower than pre-pandemic despite cumulative consumer price index increase of 30.3% since 2018;
- Reduced executive headcount by executives assuming additional roles and through consolidation through shared services; and
- Returned an aggregate of $229 million to stockholders through share repurchases and dividends during 2025 while retaining robust capital and liquidity.

Business Highlights

2025 was a solid year with outperformance from PlainsCapital Bank and Hilltop Securities. As with the prior year, 2025 remained a challenging year for PrimeLending; however, the pre-tax loss was reduced by almost half from prior year, $34 million in 2024 down to $18 million in 2025. All entities made consistent progress on key enterprise projects and system implementations, which are resulting in positive operating leverage. Additionally, management executed on the capital plan, which enabled Hilltop to increase its quarterly dividend in 2025 and 2026. In January 2025, the Company redeemed $150 million of its outstanding 5% Senior Notes maturing in April 2025, then in May 2025, the Company redeemed $50 million of its outstanding 5.75% Subordinated Notes maturing in May 2030, which utilized excess capital and reduced interest expense. During 2025, the Company repurchased $184 million of its common stock.

Notwithstanding, the Company continued to maintain significant excess capital after taking these planned actions. We believe our synergistic and durable model provides optimized capital, funding and liquidity and strong diversification during various economic and interest rate environments.

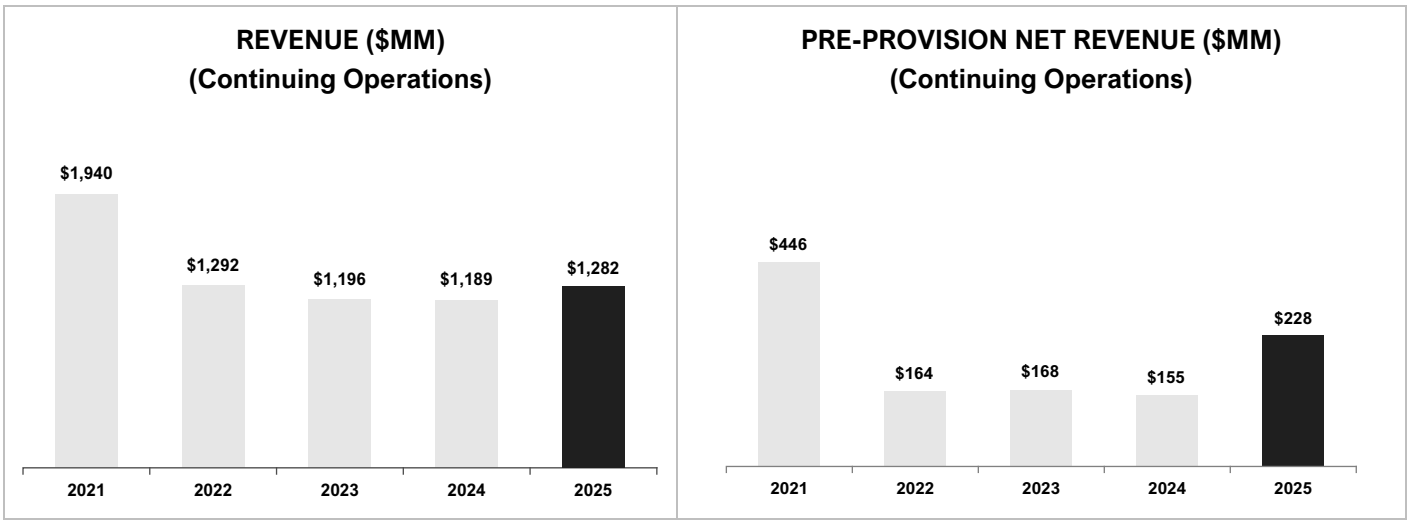
2025 Net Income	2025 ROAA	12/31/2025 Total Assets	2025 ROAE
$166 Million	**1.10%**	**$15.8 Billion**	**7.60%**

Key Financial Results

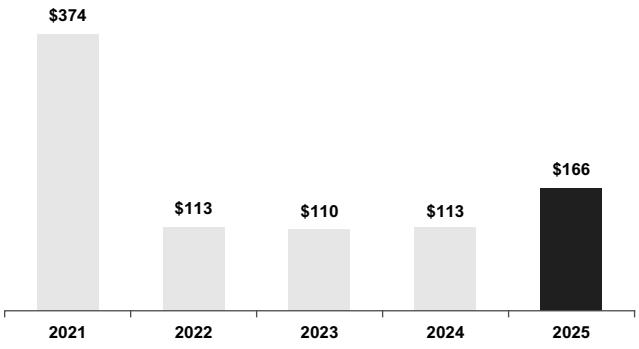
We again achieved profitable consolidated financial results in 2025, a 47% increase in net income from 2024. The make-up of these results were as follows:

- *PlainsCapital Bank* had income before taxes of $193 million in 2025 and $182 million in 2024. Net interest income improved due to lower deposit rates; the Bank performed well by improved loan growth and effective expense management.
- *PrimeLending* had a loss before taxes of $18 million in 2025, as compared to a loss before taxes of $34 million in 2024. This decrease in losses was driven by improvements in mortgage originations and effective expense management to its cost structure to address the current mortgage environment; however, elevated interest rates and limited housing supply continued to impact mortgage originations.
- *Hilltop Securities* had income before taxes of $68 million in 2025, as compared to $64 million in 2024. It was a solid year primarily driven by its Public Finance Services, Structured Finance and Wealth Management business unit results. Due to market conditions, the Fixed Income Services business unit underperformed in 2025.

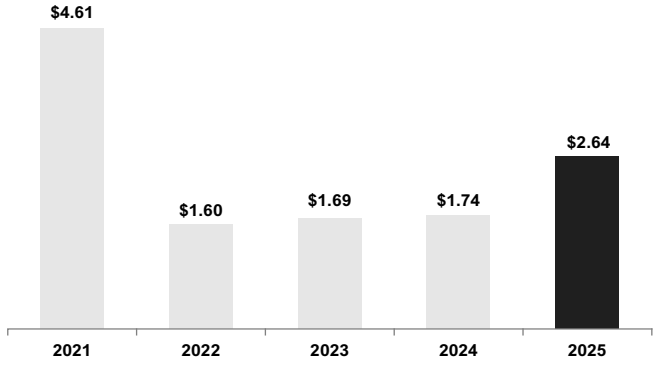
The charts below illustrate our financial and market performance in 2025 and prior years. Additional details regarding our results can be found in our Annual Report on Form 10-K for the year ended December 31, 2025.



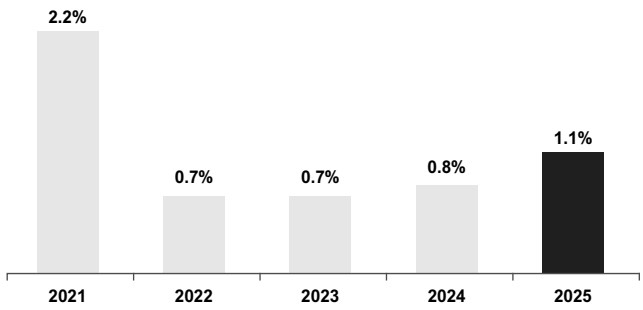
NET INCOME ($MM)
(Continuing Operations)



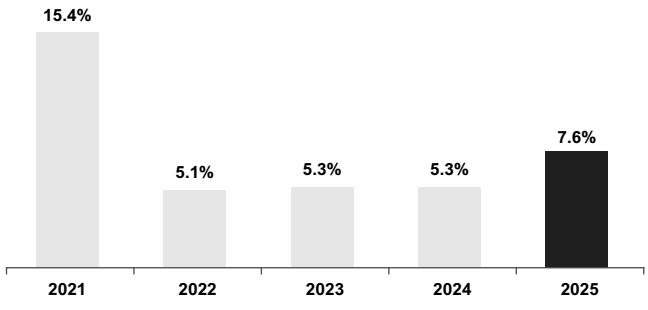
EARNINGS PER DILUTED SHARE ($)
(Continuing Operations)



RETURN ON AVERAGE ASSETS
(Continuing Operations)

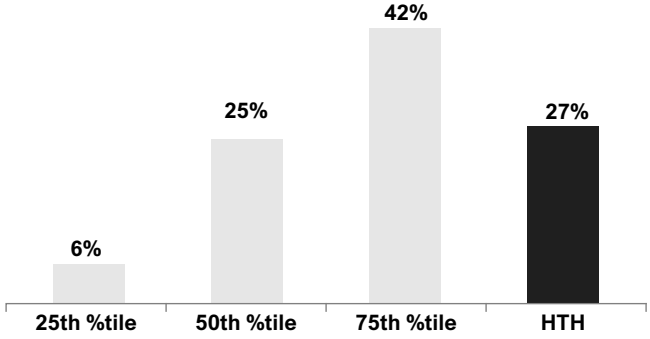


RETURN ON AVERAGE EQUITY
(Continuing Operations)



Hilltop ranked in the 51st percentile of the regional banks included in the KBW Regional Banking Index in total shareholder return for the three-year period ended December 31, 2025.

Total Shareholder Return vs.
Banks in the KBW Regional Banking Index*
3-Year Period Ending December 31, 2025

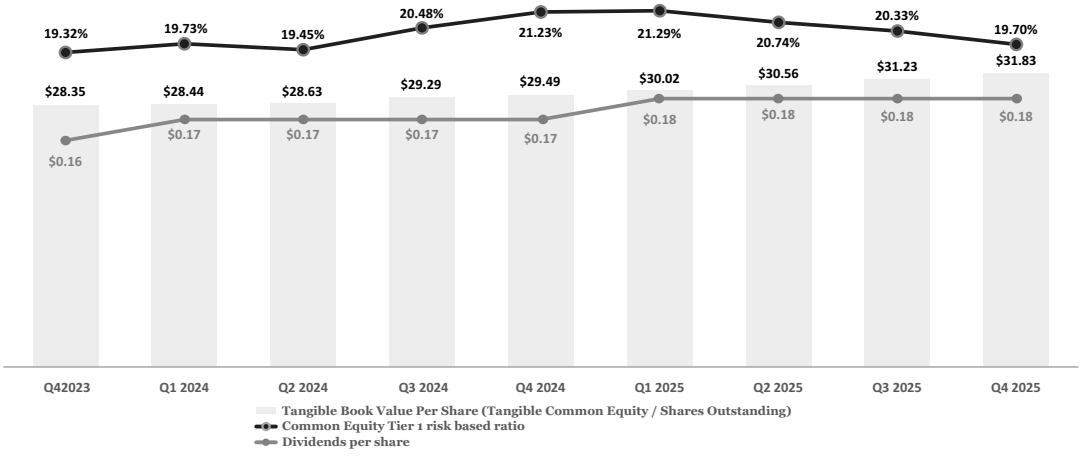


* Calculated using a 20-trading day average stock price through December 31, 2022 and December 31, 2025, and assuming dividends were reinvested.

Capital Management

Hilltop has grown capital and deployed capital in a prudent manner, repurchasing a total of $1.2 billion of its common stock from 2015 through 2025. During 2025, we returned $229 million of capital to stockholders through dividends and stock repurchases. In 2026, Hilltop authorized a new $125 million share repurchase program that expires in January 2027.

Capital Management and Tangible Book Value



Note: Tangible common equity and tangible book value per share (TBVPS) are non-GAAP financial measures. For a reconciliation of tangible common equity and TBVPS to the nearest GAAP measure, see "Annex A."

Strategic Highlights

During 2025, we had several key accomplishments in support of our business strategy:

Maintained credit quality, ending the year with total non-performing assets of $61 million, or 0.66% of total loans.

Maintained the Bank's liquidity position and access to secured funding sources with over $6.4 billion in available securities, deposits at the Federal Reserve and secured borrowing capacity due to the continued competition for liquidity.

+ Increased book value per share and tangible book value per share by $2.71 and $2.34, respectively, during 2025.

+ Increased Hilltop quarterly dividend payment by 6% to 18 cents per share.

+ Maintained strong capital levels with a Common Equity Tier 1 Capital Ratio of 19.70% at year end.

+ Continued focus on employee engagement and expense efficiencies.

Employees

Hilltop, PlainsCapital Bank, Hilltop Securities and PrimeLending were recently included in *USA Today's* list of Top Workplaces for 2026. The rankings are based on the results of anonymous, voluntary employee surveys conducted by Energage in 2025. During 2025, Hilltop, PlainsCapital Bank and PrimeLending were named as Top Workplaces in the financial services industry by Energage, as well as Top Workplaces in Dallas-Fort Worth by *The Dallas Morning News*. In addition, PlainsCapital Bank and PrimeLending received three Top Workplaces Fall 2025 Cultural Excellence Awards from Energage for scoring in the top 20% of eligible organizations.

Our 2025 Executive Compensation Program

The Compensation Committee, or, as used in this CD&A, the Committee, has the responsibility to establish, implement and monitor adherence with our compensation philosophy. The Committee believes that the total compensation paid to executive officers should be fair, reasonable, market competitive, performance-based and aligned with stockholder interests. The Committee administers our executive compensation program in light of taking into consideration our unique business structure and stockholder return. As a holding company that conducts its operations through its subsidiaries, we provide performance-based compensation to the chief executives of each of our business units (other than Mr. Jeremy Ford) that is based on both the results of the business unit and the consolidated Company. As outlined below, we believe our compensation program demonstrated its alignment with our stockholders for the 2025 year.

Elements of Total Direct Compensation

FIXED

Base Salary

- Intended to compensate the individual fairly for the responsibility level of the position held.

INCENTIVE-BASED

Annual Incentives

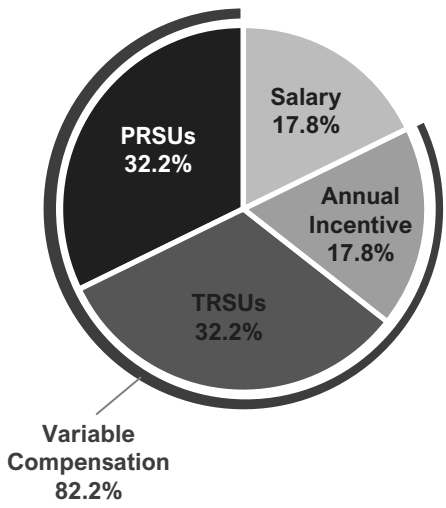
- Variable component of pay intended to motivate and reward the individual's contributions to achieving our short-term/annual objectives;
- Payouts are determined based on financial results (weighted 70%) and each executive's performance with respect to strategic and individual goals (weighted 30%);
- Financial results are based on our consolidated net income and, for executives of our subsidiaries other than Mr. Jeremy Ford, the net income or pre-tax earnings of their respective business unit; and
- Discretionary bonuses are awarded only in exceptional circumstances.

Long-Term Incentives

- Variable component of pay intended to retain, motivate and reward the individual's contributions to achieving our long-term objectives and creating stockholder value;
- Delivered through a grant value mix of Performance-Based Restricted Stock Units, or PRSUs, and Time-Based Restricted Stock Units, or TRSUs; and
- The vesting of PRSUs varies based on performance results with respect to cumulative earnings per share, or EPS, goals over a three-year period, with a modifier based on our three-year total shareholder return, or TSR, relative to other banks in the KBW Regional Banking Index.

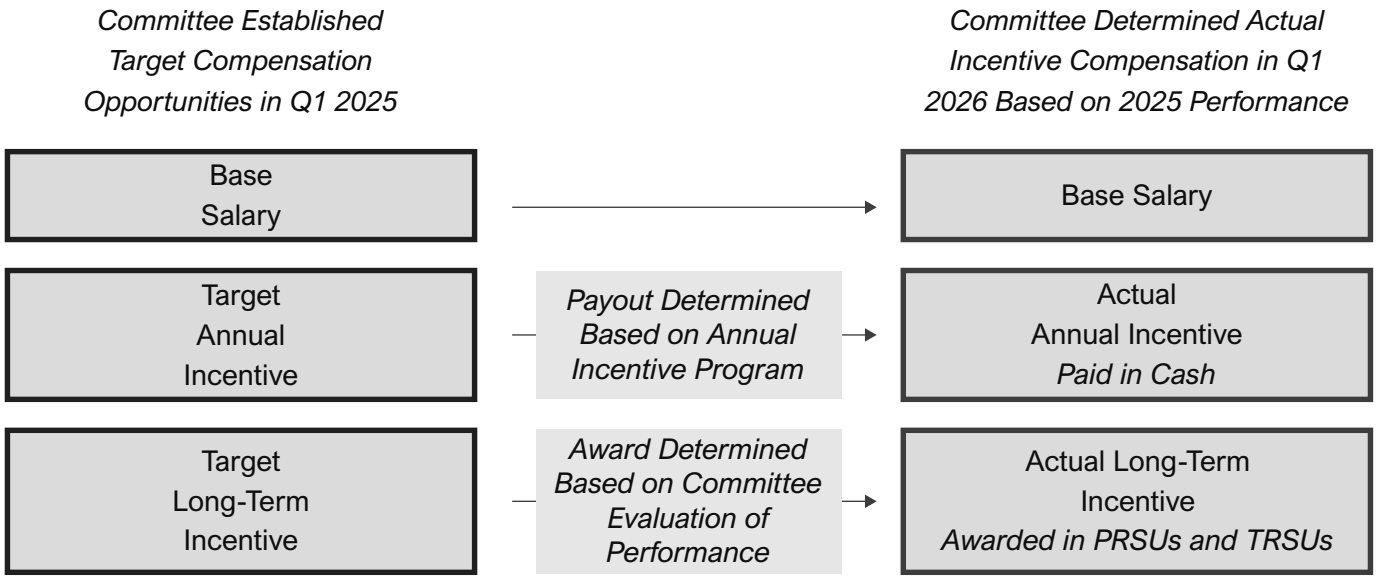
Over 80% of our CEO's total target compensation is variable based on performance.

President & CEO Target Pay Mix



Compensation Determination Process

The Committee establishes target compensation opportunities for the NEOs at the beginning of the year, and then both annual and long-term incentives are awarded based on performance during the year. This enhances our ability to align pay with performance, as the amount of long-term incentives granted is based on prior year performance, while the value ultimately received from long-term incentives will be impacted by stock price and financial performance during the 3-year vesting period.



2025 Compensation Outcomes

Based upon its review of corporate performance and the individual performance of each NEO, as discussed further in this CD&A, the Committee approved the compensation amounts outlined in the table below. This table provides a comprehensive summary of each NEOs total direct compensation as determined by the Committee for the 2025 and 2024 performance years. It should be noted that the table below is not intended to be a substitute for the Summary Compensation Table on page 56, as certain amounts in the table below are different than the amounts in the Summary Compensation Table. The most significant difference is that this table reflects long-term incentive awards granted in February 2026 and February 2025 for the 2025 and 2024 performance years, respectively, while the Summary Compensation Table provides the value of the equity awards for the year in which they were granted. Additionally, PRSUs are shown below based on the face value of target shares on the date of grant, while they are included in the Summary Compensation Table based on the accounting fair value, which is impacted by the valuation of the relative TSR modifier.

Name	Year	Base Salary (a)($000s)	Annual Incentive ($000s)	Long-Term Incentives (b) PRSUs ($000s)	Long-Term Incentives (b) TRSUs ($000s)	Total Direct Compensation ($000s)	*Target Total Compensation ($000s)*
Jeremy B. Ford	2025	800	—	1,450	1,450	**3,700**	*4,500*
	2024	800	850	1,305	1,305	**4,260**	*4,500*
William B. Furr	2025	575	683	340	340	**1,938**	*1,800*
	2024	575	581	330	330	**1,816**	*1,800*
M. Bradley Winges	2025	500	2,260	763	688	**4,210**	*3,750*
	2024	500	2,066	675	625	**3,866**	*3,550*
Stephen Thompson	2025	800	572	388	388	**2,148**	*2,500*
	2024	800	562	375	375	**2,112**	*2,500*
Corey G. Prestidge	2025	455	553	235	235	**1,478**	*1,360*
	2024	455	470	228	228	**1,380**	*1,360*

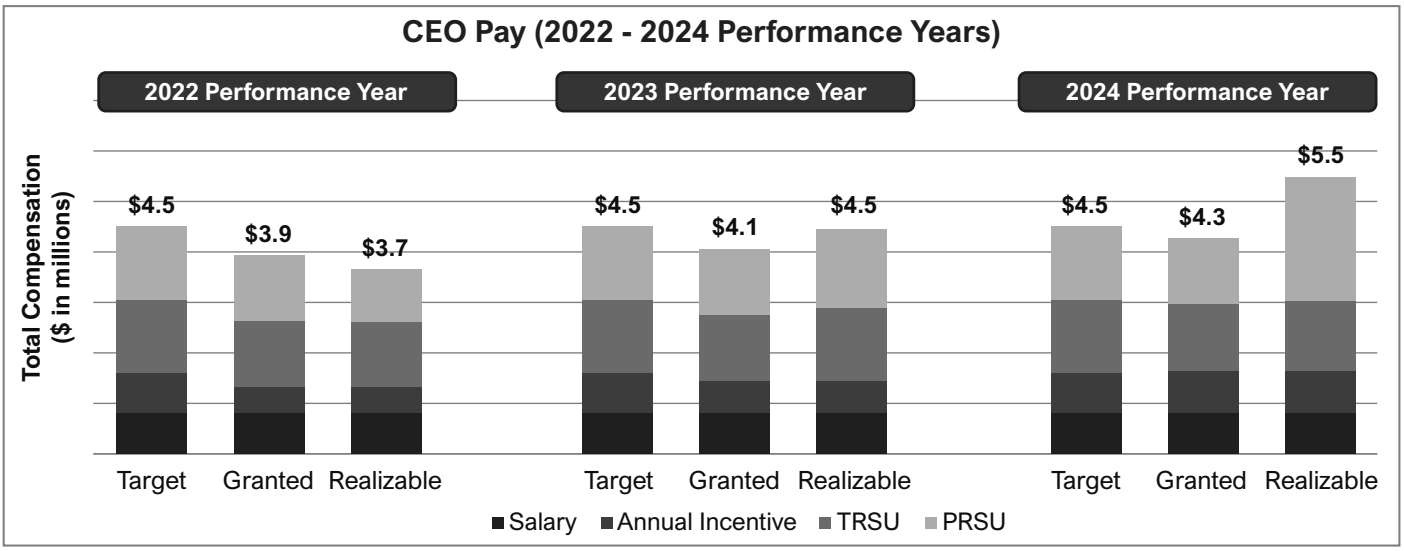
(a) Reflects base salary rate following any salary adjustments made in the first quarter of each year.

(b) Reflects the value of equity awards based on the grant date stock price, with PRSUs based on the target number of shares awarded.

Aligning Pay and Performance Over Time

The Committee has designed our executive compensation programs to effectively align compensation outcomes with business performance and stockholder outcomes over time. The Committee has included a number of elements in our compensation programs to drive this alignment, including our annual incentive program based on financial and strategic goals, long-term incentives granted solely in equity based on prior year performance, and granting at least 50% of long-term incentives as PRSUs based on 3-year EPS and relative total shareholder return results. As a result, realizable pay, reflecting the current value of prior incentives granted (as defined below), reflects our stockholder experience.

The graphs below illustrate this relationship for our CEO's compensation delivered for the 2022-2024 performance years. Given the decrease in net income since 2021, the Committee has awarded incentive compensation below target in 2022, 2023 and 2024. The increase in value of equity incentives awarded for the performance years of 2023 and 2024, however, has been positively impacted by our stock price performance, which reflects a higher realizable amount. The value ultimately received by our CEO (as well as our other NEOs) will continue to be impacted by changes in our stock price prior to vesting. While the graphs below summarize how the Committee views the alignment of pay with performance for our CEO over time, they are not a substitute for the tables and disclosures required by SEC rules.



Target: Reflects the target compensation opportunity established by the Committee for each performance year.
Granted: Reflects compensation awarded by the Committee for each performance year, including actual salary received, amounts awarded under the annual incentive program, and the value of equity awarded (based on the grant date stock price) early in the following year based on the Committee's evaluation of the performance year results.
Realizable: Reflects base salary and annual incentives received, plus the estimated current value of equity awarded for the performance year. The 2022 Performance Year PRSUs vested based on results for the 2023-2025 performance period. Performance results for the 2023 and 2024 Performance Year PRSUs have been estimated based on results through 2025 but remain subject to results for the remainder of their 3-year performance period. PRSUs and TRSUs have been valued based on the stock price as of December 31, 2025 ($33.94) and assumes all shares have been retained.

COMPENSATION PROGRAM PHILOSOPHY AND OBJECTIVES

Our compensation program continues to focus on performance-based pay that reflects our achievements on an annual basis and our ability to deliver long-term value to our stockholders. The Committee regularly reviews the Company's compensation programs to ensure they are consistent with sound business practices, regulatory requirements, emerging industry trends and stockholder interests.

With this in mind, the following principles help guide our decisions regarding compensation of our NEOs:

- ***Compensation opportunities should be competitive with market practices.*** We are committed to providing competitive total annual compensation opportunities to attract and retain executives with the experience and skills necessary to lead our Company and motivate them to deliver strong performance to our stockholders.
- ***A significant portion of compensation should be performance-based.*** Our executive compensation program emphasizes pay-for-performance. Both our annual and long-term incentives are earned based on a combination of corporate, business unit and individual performance. Our annual incentive compensation also can be reduced based upon improper risk taking and non-compliance with applicable laws and regulations.
- ***Management's interests should be aligned with those of our stockholders.*** Our long-term incentive compensation is delivered in the form of RSUs to support our goals for alignment, ownership and retention. At least half of the RSUs awarded vest upon achievement of predefined performance goals, based first on

cumulative EPS over a three-year period and then multiplied by a modifier based on our TSR relative to members of the KBW Regional Banking Index during the same period.

- ***Compensation should be perceived as fair.*** We strive to create a compensation program that will be perceived as fair and equitable, both internally and externally.
- ***Our compensation program should be balanced and mitigate risk taking.*** We have a balanced approach to total compensation that includes a mix of fixed and performance-based pay, including cash and equity compensation and short- and long-term incentive compensation. We believe this approach effectively aligns our pay with performance, while discouraging inappropriate risk taking.

GOVERNANCE HIGHLIGHTS

The Committee maintains strong governance features for our executive compensation program as outlined below and further discussed in this CD&A.

WHAT WE DO	WHAT WE DON'T DO
✓ We tie a significant portion of NEO compensation to our performance through a balance of annual and long-term incentives with multiple performance measures	⊗ Executive officers are prohibited from entering into hedging, short sale and derivative transactions and are subject to restrictions on pledging our securities
✓ We maintain robust stock ownership guidelines for executive officers and directors	⊗ We do not provide for any excise tax gross-ups in any employment agreements
✓ We require all equity awarded to executive officers to be held for one year following vesting (effectively a four-year vesting period)	⊗ All equity grants have double trigger (as opposed to single trigger) change of control provisions
✓ We maintain an incentive compensation clawback policy, which is compliant with applicable rules	⊗ We do not pay dividends on unvested equity awards
✓ We subject annual incentives to downward adjustment for improper risk taking or significant compliance issues	⊗ We do not provide excessive perquisites
✓ We annually conduct a risk assessment of our compensation programs	
✓ We retain an independent compensation consultant reporting directly to the Committee	

ROLE OF STOCKHOLDER SAY-ON-PAY VOTES AND STOCKHOLDER ENGAGEMENT

We provide our stockholders with the opportunity to cast an annual non-binding advisory vote on executive compensation and are committed to open and ongoing communication with our stockholders. At our annual meeting of stockholders held in July 2025, approximately 42% of the votes cast (excluding abstentions and broker non-votes) on the say-on-pay proposal were voted in favor of the proposal. As a result, we expanded our stockholder outreach during the fourth quarter of 2025 and first quarter of 2026.

- We contacted fifteen of our largest stockholders, representing 37% of our outstanding common stock at that time (and X% of our outstanding stock not owned by our directors, executive officers and their respective family members).
- Most of the stockholders declined our offer to engage; however, we did meet with five investors representing 8% of our outstanding common stock.

What We Heard

During these engagements, our stockholders expressed general support for our compensation philosophy and pay structure. Some stockholders requested additional insight into the rationale for the performance metrics in our PRSUs, but otherwise did not suggest any changes to the design of our programs. Our discussions focused primarily on board governance and refreshment.

Our Responsiveness

The Committee remains committed to understanding the perspectives of our stockholders and being responsive to their feedback. The Committee considered the generally supportive feedback on our pay programs from our engagement discussions and also recognized the impact on the 2025 say-on-pay results of a dispute among the partners of our largest stockholder, Diamond A Financial, LP. Based on the 2025 say-on-pay result, we took the following actions:

- Reviewed the PRSU design relative to market practices and company strategy, and provided additional disclosure on the rationale for the Committee's chosen metrics for the PRSUs;
- Revised our compensation peer group to better reflect our mix of businesses; and
- Elected, at the CEO's request, to not pay the CEO his annual cash bonus for the 2025 fiscal year despite achievement of performance relative to our Annual Incentive Plan.

In engagement meetings following the disclosure that our CEO had elected not to be paid his annual cash bonus, stockholders expressed their appreciation for his commitment to the Company. We also informed these stockholders that board refreshment was ongoing.

The Committee will continue to consider the outcome of the Company's say-on-pay votes and stockholder feedback when making future compensation decisions for the NEOs and directors.

ELEMENTS OF OUR EXECUTIVE COMPENSATION PROGRAM

This section describes the 2025 compensation arrangements for our NEOs who served through the end of 2025.

Base Salary

We provide base salaries for each NEO based on the Committee's assessment of the scope of each individual's responsibilities, performance and experience. We believe a portion of total direct compensation should be provided in a form that is fixed and liquid. In reviewing base salaries, the Committee evaluated the salaries of other executive officers of the Company and its peers and any increased level of responsibility, among other items. None of our Named Executive officers received a salary increase in 2025. The following table lists the base salaries for our NEOs in 2024 and 2025:

	Base Salaries		
Name	**2024 ($)**	**2025 ($)**	**% Increase**
Jeremy B. Ford	800,000	800,000	—
William B. Furr	575,000	575,000	—
M. Bradley Winges	500,000	500,000	—
Stephen Thompson	800,000	800,000	—
Corey G. Prestidge	455,000	455,000	—

In February 2026, the Committee assessed base salaries of the NEOs and determined to not increase any of their respective base salaries.

Annual Incentive Program

Target Incentive Opportunities

Target incentive awards are defined at the start of the year in consideration of market data provided by the Committee's consultant, each NEO's total compensation package and the Company's budgetary considerations. In February 2025, the Committee adjusted the annual incentive target for Mr. Winges to 390% (as a percentage of salary) based upon 2025 budget expectations for Hilltop Securities Inc. and market data. His annual incentive target is set higher than other NEOs based on market pay practices for the securities industry. The following table sets forth information concerning Annual Incentive Plan opportunities for 2025:

	Annual Incentive Opportunity			
		Target		
Name	**Threshold ($)**	**Amount ($)**	**% of Base Salary**	**Maximum ($)(a)**
Jeremy B. Ford	400,000	800,000	100 %	1,480,000
William B. Furr	262,500	525,000	91 %	971,250
M. Bradley Winges	975,000	1,950,000	390 %	3,607,500
Stephen Thompson	400,000	800,000	100 %	1,480,000
Corey G. Prestidge	212,500	425,000	93 %	786,250

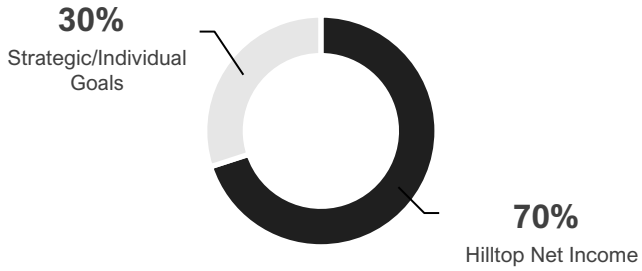
(a) Awards are capped at 185% of the target amount.

In February 2026, the Committee did not adjust the targets for any of the NEOs for the 2026 year.

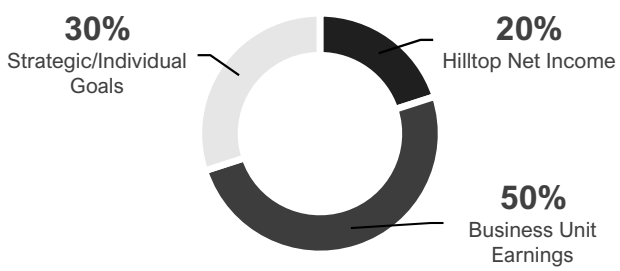
Plan Structure and Performance Measures

Each NEO had pre-defined performance objectives based upon measurable performance of both the Company and the individual. At least 70% of each executive's incentive was based on the net income of the Company and/or their relevant business unit earnings. The Committee and management believe that by using these metrics we are encouraging profitable top line growth and value for stockholders without creating excessive risk. The measures and weights of the performance objectives for 2025 are summarized in the following graph:

CORPORATE EXECUTIVES
(Messrs. Ford, Furr and Prestidge)



BUSINESS UNIT EXECUTIVES
(Messrs. Thompson[1] and Winges[2])



(1) With respect to Mr. Thompson, the 50% Business Unit Earnings component consists of 20% business unit net income less minority interest and 30% funded mortgage origination volume.

(2) With respect to Mr. Winges, the 50% Business Unit Earnings component consists of 35% business unit pre-tax income excluding TBA/MBS and 15% pre-tax earnings from TBA/MBS.

In addition to the above criteria, payouts are subject to potential reduction for Risk Management and Compliance. Payouts also are subject to forfeiture and clawback pursuant to the Hilltop Incentive Compensation Clawback Policy.

For 2026, no changes were made to the structure and metrics of the Annual Incentive Plan.

2025 Goals and Results

The Committee, in its sole discretion, determines the final amount of each participant's annual cash incentive award based on attainment of the applicable performance goals and assessments of individual and strategic performance.

Each element of the annual cash incentive award is independent of the other. Accordingly, the executive officer may achieve certain performance goals, while at the same time failing to achieve others. In that case, the executive officer will be entitled to receive the award for the performance goal achieved, but not an award for a performance goal for which threshold performance is not achieved. Potential awards range from 50% for threshold performance to a maximum of 185% for stretch performance (with a 200% maximum for financial performance and a 150% maximum for strategic goals).

Early in 2025, the Committee established earnings goals for Hilltop and each business unit. Our 2025 goals were intended to be realistic and reasonable, but challenging in order to drive performance. Our 2025 net income target was set slightly below our 2024 actual performance based upon the expected continuation of challenging economic conditions impacting our lines of business. At the end of the fiscal year, the Committee determined a payout based on

net income performance. 2025 performance goals and actual net income performance were as follows (dollars in millions):

2025 Performance Goal	Threshold ($)	Target ($)	Maximum ($)	Actual ($)	Achievement (a)
Adjusted Hilltop Net Income (b)	69	116	145	166	143 %
PlainsCapital Adjusted Pre-Tax Income (c)	72	120	150	149	124 %
Hilltop Securities Pre-Tax Income	37	62	78	69	112 %
PrimeLending Net Income (d)	24	40	50	(13)	— %
PrimeLending Funded Volume	5,880	9,800	12,250	8,902	91 %

(a) Reflects performance as a percent of target. No payouts are earned for performance below 60% of the target, and awards are capped at 200% of the target amount under the plan.

(b) For purposes of determining achievement for persons other Messrs. Ford, Furr and Prestidge, Hilltop Net Income was adjusted to remove gains from the sale of a portfolio company of the merchant bank.

(c) PlainsCapital pre-tax income is adjusted to remove the impacts of CECL, but includes controllable provision (e.g., charge-offs and specific reserves).

(d) The Committee established goals and determines performance results based on adjusted non-GAAP results that exclude the impact of earnings associated with PrimeLending's minority ownership in entities that are not wholly owned and not indicative of ongoing operations.

The individual and strategic objectives for the NEOs are developed through an iterative process between the Committee and management. Management develops an initial set of recommendations based upon the business needs. The Committee reviews the proposed goals and revises/amends them at its discretion, ensuring that goals are aligned with the strategic plan approved by the Board of Directors.

The following strategic and individual goals, among others, were established for the NEOs in 2025:

JEREMY B. FORD

KEY OBJECTIVES ▶ **KEY OUTCOMES**

- Execute strategic plan for the Company and its operating subsidiaries to drive revenue growth and manage expenses
- Execute strategic plan for the Bank to drive loan and deposit growth, maintain asset quality and manage NIM and expenses
- Support execution of strategic projects, including mortgage profitability and pricing strategy
- Execute capital management through M&A sourcing and stockholder returns
- Execute bank producer compensation plan
- Support executing of operational projects

- Effective leadership of the Company and the Bank, and effective oversight of other subsidiaries through continued challenging mortgage environment
- Successfully executed Bank initiatives and implemented bank producer compensation plan
- Delivered quantifiable benefits of capital and liquidity management, including return of capital to stockholders
- Achieved progress on operational projects
- Executed on strategic plans and key initiatives

WILLIAM B. FURR

KEY OBJECTIVES

- Support programs to achieve sustainable and profitable growth at the Bank
- Support ongoing efforts to achieve profitability at PrimeLending and pricing strategy with respect thereto
- Support the achievement of the operating budget
- Ongoing automation and productivity enhancements
- Achievement of target efficiencies and savings through ongoing procurement objections
- Effective control environment

KEY OUTCOMES

- Delivered quantifiable benefits of capital and liquidity management, including return of capital to stockholders
- Effective management of balance sheet and liquidity
- Instrumental in initiatives to support profitable growth at the bank and cost management at PrimeLending
- Effective leadership of complex projects, including productivity enhancements, procurement and PrimeLending pricing strategy
- Maintained an effective control environment

M. BRADLEY WINGES

KEY OBJECTIVES

- Drive strategic plan and initiatives, including revenue growth and operating income goals for each business line
- Advocacy for the firm, including municipal finance
- Effectively manage risk in conjunction with Hilltop
- Maintain strong culture at the firm
- Focus on Texas outreach of all products and services, as well as continued national expansion in public finance and wealth
- Drive optimization and develop new business segments

KEY OUTCOMES

- Effective leadership resulting in all lines of business contributing positively
- Effectively managed risk
- Drove key initiatives of additional product offerings
- Further enhanced firm culture
- Contributed to growth in business lines through targeted product and market segment expansion
- Delivered quantifiable benefits of objectives

STEPHEN THOMPSON

KEY OBJECTIVES

- Project Maverick (pricing, recruiting and Sales Rally)
- Launch Branch Performance Plan
- Expand Builder relationship base
- Production leadership transitions
- Drive strategic plan, budget and key initiatives

KEY OUTCOMES

- Launched Project Maverick and Branch Performance Plan
- Effective leadership through continued challenging mortgage environment through continued expense management and leadership transitions
- Drove key initiatives of operational efficiency and service and culture

COREY G. PRESTIDGE

KEY OBJECTIVES

- Effective oversight of legal, regulatory, internal audit, legislative and contract functions
- Execute strategic initiatives and effective shared services
- Maintain positive regulatory standing
- Effective management of material litigation

KEY OUTCOMES

- Effective leadership of legal, regulatory, risk, internal audit, legislative and contract functions
- Successful outcomes from material litigation that positively impacted financial results
- Delivered strategic initiatives and provided shared services timely and efficiently
- Effective with regulators and legislative priorities

The Committee evaluated the individual performance of each executive, including the factors noted in the table above, and recognized the results each executive achieved that drove the Company's performance during the continuation of a challenged environment in 2025. Based upon these evaluations of each NEO's individual performance in 2025, the Committee awarded Messrs. Jeremy B. Ford, Furr and Prestidge 100% of target, Mr. Winges 115% of target and Mr. Thompson 95% of target for their strategic and individual goals. The Committee also assessed risk and compliance performance for each NEO and determined that no reductions were warranted.

As noted previously, Mr. Jeremy B. Ford elected to not receive a 2025 annual cash incentive payment to acknowledge the low say-on-pay support at the Company's 2025 Annual Meeting of Stockholders.

Based on the above financial and individual performance measures and the Committee's discretion, the 2025 annual cash incentive payments were awarded as follows relative to the 2025 target value in accordance with their respective scorecard on the terms discussed above:

Name	2025 Annual Incentive Payment ($)	% of 2025 Target Annual Incentive
Jeremy B. Ford	—	— %
William B. Furr	683,252	130 %
M. Bradley Winges	2,259,584	116 %
Stephen Thompson	572,454	72 %
Corey G. Prestidge	553,108	130 %

See "NEO Compensation — Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table — Annual Incentive Plan" for more information with respect to our stockholder-approved Annual Incentive Plan.

Discretionary Cash Bonuses

No discretionary cash bonuses were paid for 2025 performance.

Long-Term Incentives

As described above, we believe that a portion of each NEO's compensation should be tied to the performance of our stock price, aligning the officer's interest with that of our stockholders. Additionally, we grant at least 50% of each executive's long-term incentives through PRSUs that vest based upon performance. When the Committee determines that it is appropriate to award long-term incentives above the target opportunity based on prior year performance, at least 75% of the amount in excess of the target award is granted as PRSUs.

PRSU Performance Metrics

PRSUs granted in 2025 will be earned and cliff vest, subject to certain performance goals being met, after the three-year performance period from January 1, 2025 through December 31, 2027. The PRSUs provide that the percentage of performance-based shares that will vest at the end of the performance period will be determined based on Hilltop's cumulative EPS relative to pre-established performance objectives, multiplied by a modifier that is determined based on Hilltop's TSR relative to banks in the KBW Regional Banking Index. The Committee establishes the EPS goal to be appropriately challenging relative to the economic environment and expectations for the 3-year period.

During 2025, the Committee, with assistance from its compensation consultant, reviewed the design of the PRSUs. Based on this review, the Committee affirmed its view that EPS remains appropriate as the primary driver of PRSU payouts given our diverse mix of businesses and importance in reflecting profitability and capital allocation. The Committee also affirmed the continued use of the relative TSR modifier to further align payouts with shareholder value.

The table below outlines the structure of goals for the PRSUs:

3-YEAR CUMULATIVE EPS			RELATIVE TSR MODIFIER		
PERFORMANCE	RESULT	PAYOUT	PERFORMANCE	RANK	MODIFIER
Below Threshold	<75% of EPS Goal	0%	Below Threshold	< 25th percentile	80%
Threshold	75% of EPS Goal	50%	Threshold	25th percentile	80%
Target	EPS Goal	100%	Target	50th percentile	100%
Stretch	≥125% of Target	150%	Stretch	≥75th percentile	120%

Payouts are interpolated for results between Threshold and Stretch

Accordingly, the total number of shares earned from the performance awards can range from 40% to 180% of the target number of PRSUs granted. No shares will be awarded if EPS results are below threshold. The calculation for the vesting of PRSUs is as follows:

3-YEAR EPS (50% to 150%)	**X**	**3-YEAR TSR** (80% to 120%)	**=**	**PAYOUT PERCENTAGE** (40% to 180%)

TRSUs cliff vest on the third anniversary of the date of grant.

All shares of common stock delivered pursuant to the RSUs granted to NEOs are subject to a one-year holding period requirement after vesting. Since July 2020, all equity-based awards have been made pursuant to the 2020 Equity Incentive Plan, which was adopted by stockholders at the 2020 Annual Meeting of Stockholders held in July 2020. All equity-based awards made to the NEOs are approved by the Committee and not pursuant to delegated authority. Further discussion of the 2020 Equity Incentive Plan pursuant to which such RSUs were awarded is found under "NEO Compensation — Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table" below.

2025 Long-Term Incentive Grants

In 2025, long-term incentive awards were made in consideration of each executive's role, competitive market practice, and 2024 performance. Awards for all NEOs were made below target levels, except for (i) Mr. Jeremy Ford , who received target award, and (ii) Mr. Winges, who received above target awards, though below the value of his prior year grants, based on the continued strong performance of Hilltop Securities in 2024. An equal mix of TRSUs and PRSUs were granted to all of the NEOs, other than Mr. Winges who was awarded 75% PRSUs for the amount in excess of his target. Grants were made on February 5, 2025, to the following NEOs in the table below.

Name	PRSUs Awarded (#)(a)	PRSUs Awarded Value ($000s)(a)	TRSUs Awarded (#)	TRSUs Awarded Value ($000s)	Total RSUs Awarded (#)	Total RSUs Awarded Value ($000s)	*Target LTI Value ($000s)*
Jeremy B. Ford	40,428	1,305	40,428	1,305	80,856	**2,610**	*2,900*
William B. Furr	10,223	330	10,224	330	20,447	**660**	*700*
M. Bradley Winges	20,910	675	19,363	625	40,273	**1,300**	*1,200*
Stephen Thompson	11,617	375	11,618	375	23,235	**750**	*900*
Corey G. Prestidge	7,048	228	7,048	228	14,096	**455**	*480*

(a) Reflects number of shares that will vest upon achieving performance at target level and value determined by multiplying number of shares by the closing stock price on the date of grant, which may differ from the accounting grant date fair value included in the Summary Compensation Table and Grants of Plan Based Awards Table below.

2026 Long-Term Incentive Grants

On February 11, 2026, the Committee awarded long-term incentives through grants of RSUs as set forth in the table below. Grant values were again based on each executive's role and competitive market practice, as well as 2025 performance. Awards for all NEOs were made below target levels. The Committee continued to grant an equal mix of TRSUs and PRSUs to the NEOs, other than Mr. Winges who was awarded 75% PRSUs for the amount in excess of his target.

Name	PRSUs Awarded (#)(a)	PRSUs Awarded Value ($000s)(a)	TRSUs Awarded (#)	TRSUs Awarded Value ($000s)	Total RSUs Awarded (#)	Total RSUs Awarded Value ($000s)	*Target LTI Value ($000s)*
Jeremy B. Ford	37,075	1,450	37,075	1,450	74,150	**2,900**	*2,900*
William B. Furr	8,695	340	8,695	340	17,390	**680**	*700*
M. Bradley Winges	19,500	763	17,580	688	37,080	**1,450**	*1,300*
Stephen Thompson	9,910	388	9,910	388	19,820	**775**	*900*
Corey G. Prestidge	6,010	235	6,010	235	12,020	**470**	*480*

(a) Reflects number of shares that will vest upon achieving performance at target level and value determined by multiplying number of shares by the closing stock price on the date of grant, which may differ from the accounting grant date fair value included in the Summary Compensation Table and Grants of Plan Based Awards Table below.

Payout of the 2023-2025 PRSUs

The following table provides the calculation of the payout for the PRSUs granted in 2023, which resulted in 80.5% of the target number of shares being earned. Similar to the 2025 awards described above, the PRSUs granted in 2023 cliff vested in three years, or February 8, 2026, based on three-year cumulative EPS performance multiplied by a modifier of the payout based on our three-year TSR relative to the banks in the KBW Regional Banking Index.

Metric	Threshold	Target	Maximum	Actual
Cumulative EPS	$ 5.06	$ 6.75	$ 8.44	$ 6.07
% of Target Payout	*50%*	*100%*	*150%*	*80%*
				x
Relative TSR percentile ranking	25th	50th	75th	51st
Modifier	*80%*	*100%*	*120%*	*101%*
Final Payout				***80.5%***

Perquisites and Other Benefits

We provide various perquisites and other benefits to certain NEOs. Mr. Jeremy B. Ford is provided access to company aircraft for personal use and such personal use is treated as income to him. Other NEOs may also be provided with limited personal use of company aircraft. Mr. Thompson is provided with a country club membership for his use. Otherwise, our NEOs generally only receive cell phone reimbursement, medical benefits, life insurance and long-term disability coverage, as well as matching contributions to the Company's 401(k) program, on the same terms and conditions as generally available to all employees. See "NEO Compensation — All Other Compensation Table" below.

SEVERANCE AND OTHER POST-TERMINATION ARRANGEMENTS

We generally do not maintain any severance or change in control programs other than the change in control provisions in our 2020 Equity Incentive Plan (with exceptions noted below). We have, however, historically paid severance, the amount of which is generally determined based on both length of tenure and level of compensation, when termination occurs other than for cause and pursuant to which certain benefits may be provided to the NEOs. Absent the negotiation of specific agreements with the NEOs, severance benefits generally will be provided on the same basis as provided to other employees of the Company.

Furr Employment Agreement

Pursuant to our employment agreement with Mr. Furr, as amended, upon termination of his employment by us other than for cause, Mr. Furr is entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the employment agreement, RSU award agreements or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination (collectively, the "Furr Accrued Amounts") and a lump-sum cash payment equal to the sum of (i) his annual base salary rate immediately prior to the effective date of such termination, and (ii) an amount equal to the annual incentive cash bonus paid to him in respect of the calendar year immediately preceding the year of the termination, provided that Mr. Furr executes and delivers a release to the Company. If his employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "change in control," he will be entitled to receive the Furr Accrued Amounts and a lump-sum cash payment equal to two times the sum of (i) his annual base salary rate immediately prior to the effective date of such termination and (ii) an amount equal to the annual incentive cash bonus paid to him in respect of the calendar year immediately preceding the year of the termination, provided that Mr. Furr executes and delivers a release to the Company. Pursuant to RSU award agreements, any unvested RSU awards also will vest if Mr. Furr is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "Change in Control." The immediately foregoing cash amount represents a "double trigger" benefit. Finally, if any payment made as a result of a change in control would constitute a "parachute payment" as defined under Section 280G of the Internal Revenue Code, or the Code, the benefits payable will be reduced to $1 below the parachute limit.

Mr. Furr's employment agreement was further amended on August 30, 2022, to extend the term of the agreement to August 31, 2025, and extend the employee non-solicitation provision, among other changes, to be consistent with other employment agreements with the Company. In connection with Mr. Furr entering into the amendment to his employment agreement, he received an additional grant of 11,258 TRSUs that vested on August 30, 2025.

Mr. Furr's employment agreement was further amended on December 8, 2025, to extend the term of the agreement to August 31, 2028, and expand the employee non-interference/solicit provisions and removed the non-competition provision, among other changes, including in the event of Mr. Furr's death or disability, Mr. Furr (or his estate) will be entitled to receive (i) the Furr Accrued Amounts and (ii) a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Furr (or his estate) executes and delivers a release to the Company.

Winges Employment Agreement

The Company entered into an employment agreement with Mr. Winges that became effective upon his commencement of his employment with us on February 20, 2019. The employment agreement remained in effect until February 20, 2022. On March 31, 2022, the employment agreement was amended to extend its term until February 20, 2025, to remove certain provisions no longer applicable and add and modify other provisions to be consistent with other employment agreements. On April 25, 2025, the employment agreement was further amended to extend the term until February 29, 2028, and to make certain additional changes addressed below. If the employment agreement, as amended, is terminated by the Company for "cause" (as such term is defined in the amended employment agreement), Mr. Winges will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the employment agreement, RSU award agreements or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination (collectively, the "Winges Accrued Amounts"), provided that Mr. Winges executes and delivers a release to the Company. With respect to a termination resulting from Mr. Winges's death or disability, Mr. Winges (or his estate) will be entitled to receive (i) the Winges Accrued Amounts and (ii) a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Winges (or his estate) executes and delivers a release to the Company. If Mr. Winges reaches the age of 65 and retires from employment with the Company, Mr. Winges will be entitled to receive (i) the Winges Accrued Amounts and (ii) a pro rata portion of his target Incentive Bonus for such period.

If Mr. Winges's employment is terminated by the Company without "cause" (other than pursuant to a "Change in Control" (as such term is defined in the amended employment agreement)), Mr. Winges will be entitled to receive the Winges Accrued Amounts and, subject to his execution and delivery to the Company of a release, a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the average of the Incentive Bonuses paid to him in respect of the three calendar years immediately preceding the year of the termination.

If Mr. Winges's employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "Change in Control," Mr. Winges will be entitled to receive the Winges Accrued Amounts and a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the average Incentive Bonuses paid to him in respect of the three calendar years immediately preceding the year of the termination; provided that Mr. Winges executes and delivers a release to the Company. Pursuant to RSU award agreements, any unvested RSU awards also will vest if Mr. Winges is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "Change in Control." The foregoing benefits described in this paragraph represent "double trigger" benefits. Notwithstanding the above, any amounts payable to Mr. Winges upon a "Change in Control" shall not constitute a "parachute payment" and will be reduced accordingly.

Thompson Employment Agreement

In connection with the promotion of Mr. Thompson as President and Chief Executive Officer of PrimeLending on October 25, 2019, the Company and Mr. Thompson entered into an employment agreement that became effective as of January 1, 2020. The employment agreement remained in effect until December 31, 2022. On December 31, 2022, the employment agreement was amended to extend its term until December 31, 2025, to remove certain provisions no longer applicable and modify other provisions to be consistent with other employment agreements. On February 2, 2026, the employment agreement was further amended to extend its term until December 31, 2028. If the employment agreement, as amended, is terminated by the Company for "cause" (as such term is defined in the amended employment agreement), Mr. Thompson will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the employment agreement, RSU award agreements or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination (collectively, the "Thompson Accrued Amounts"), provided that Mr. Thompson executes and delivers a release to the Company. With respect to a termination resulting from Mr. Thompson's death or disability, Mr. Thompson (or his estate) will be entitled to receive (i) the Thompson Accrued Amounts, (ii) an amount equal to the cost of COBRA for Mr. Thompson and his immediate family for a period of twelve months following such termination of employment and (iii) a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Thompson (or his estate) executes and delivers a release to the Company.

If Mr. Thompson's employment is terminated by the Company without "cause" (other than pursuant to a "Change in Control" (as such term is defined in the amended employment agreement)), Mr. Thompson will be entitled to receive the Thompson Accrued Amounts and, subject to his execution and delivery to the Company of a release, (i) a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination, and (ii) an amount equal to the cost of COBRA for his immediate family and himself for a period of twelve months following such termination of employment.

If Mr. Thompson's employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "Change in Control," Mr. Thompson will be entitled to receive the Thompson Accrued Amounts and (i) a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination and (ii) an amount equal to the cost of COBRA for his immediate family and himself for a period of twelve months following such termination of employment, provided that Mr. Thompson executes and delivers a release to the Company. Pursuant to RSU award agreements, any unvested RSU awards also will vest if Mr. Thompson is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "Change in Control." The foregoing benefits described in this paragraph represent "double trigger" benefits. Notwithstanding the above, any amounts payable to Mr. Thompson upon a "Change in Control" shall not constitute a "parachute payment" and will be reduced accordingly.

Incentive Plans

2020 Equity Incentive Plan

The 2020 Equity Incentive Plan was approved by the Board of Directors on April 30, 2020, and approved by our stockholders on July 23, 2020. Upon a change in control of Hilltop, awards will not vest unless the participant incurs a termination of service by us without cause or by the participant for good reason within six months prior to or twelve months following the change in control. A change in control generally includes (i) the acquisition by a third-party of 33% or more of the outstanding voting stock or equity securities of Hilltop, (ii) a merger, reorganization, consolidation, or similar transaction with a third-party after which the stockholders of Hilltop do not retain over 50% of the outstanding voting stock or equity securities following the transaction, (iii) a majority of the members of our Board of Directors are members who were not appointed by the then existing Board of Directors, or (iv) the complete liquidation or dissolution of Hilltop. In connection with a change in control, outstanding awards may be converted into new awards; exchanged or substituted for new awards; or canceled for no consideration, provided participants were given notice and an opportunity to purchase or exercise such awards, or cancelled and cashed out based on the positive difference between the per share amount to be received in connection with the transaction and the purchase/exercise price per share of the award, if any. Further discussion of the change in control payments that may be made pursuant to the 2020 Equity Incentive Plan may be found in the “Executive Compensation — Potential Payments Upon Termination or Change-in-Control” section below.

Annual Incentive Plan

The Annual Incentive Plan, pursuant to which annual incentive bonuses are awarded, does not contain specific change in control provisions. Accordingly, the Committee, in its discretion, may determine what constitutes a change in control and what effects such an event may have on any awards made pursuant to such plan.

EXECUTIVE COMPENSATION PROCESS

Role of the Compensation Committee

The Committee is responsible for reviewing and approving all aspects of the compensation programs for our NEOs and making all decisions regarding specific compensation to be paid or awarded to them. The Committee is responsible for, among its other duties, the following:

- Review and approval of corporate incentive goals and objectives relevant to compensation;
- Evaluation of individual performance results in light of these goals and objectives;
- Evaluation of the competitiveness of the total compensation package;
- Approval of any changes to the total compensation package, including, but not limited to, base salary, annual and long-term incentive award opportunities and payouts and retention programs; and
- Approval of any employment contract or other written agreement with any executive of the Company or its subsidiaries.

The Committee is responsible for determining all aspects of compensation of the Chief Executive Officer, as well as assessing his individual performance.

In setting the compensation of our NEOs, the Committee, in its discretion, considers (i) the transferability of managerial skills, (ii) the relevance of each NEO's experience to other potential employees, and (iii) the readiness of the NEO to assume a different or more significant role, either within our organization or with another organization. When the Committee makes pay-related decisions, the Committee considers our growth strategy, our desire to attract, retain and motivate talent, and the importance of compensation in supporting the achievement of our strategic objectives.

Information about the Committee and its composition, responsibilities and operations can be found under the "Board Committees" section above.

Role of the Chief Executive Officer in Compensation Decisions

The Chief Executive Officer provides input and recommendations to the Committee regarding compensation decisions for his direct reports, including the other NEOs. These recommendations are made within the framework of the compensation programs approved by the Committee and based on market data provided by the Committee's independent consultant. The input includes base salary changes, annual incentive and long-term incentive opportunities and payouts, specific individual performance objectives, and individual performance assessments. The Chief Executive Officer makes recommendations based on his assessment of the individual officer's performance, performance of the officer's respective business or function and employee retention considerations. The Committee reviews and considers the Chief Executive Officer's recommendations when determining any compensation changes affecting our executive officers.

Role of Compensation Consultant

Pursuant to its charter, the Committee is authorized to retain and terminate any consultant, as well as to approve the consultant's fees and other terms of the engagement. The Committee also has the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. In 2025, the Committee continued its engagement of Meridian Compensation Partners, LLC, or Meridian, as its independent compensation consultant. Meridian is engaged directly by the Committee.

Pursuant to its engagement, Meridian provides research, data analyses, survey information and design expertise in developing compensation programs for executives and incentive programs for eligible employees. In addition, Meridian keeps the Committee apprised of regulatory developments and market trends related to executive compensation practices. Meridian does not determine or recommend the exact amount or form of executive compensation for any of the NEOs. A representative of Meridian generally attends meetings of the Committee, participates in executive sessions of the Committee and communicates directly with the Committee and the Chairman of the Committee.

Pursuant to the Committee's charter, if the Committee elects to use a compensation consultant, the Committee must assess the consultant's independence, taking into account the following factors:

- The provision of other services to the Company by the consultant;
- The amount of fees the consultant received from the Company;
- The policies and procedures the consultant has in place to prevent conflicts of interest;
- Any business or personal relationships between the consulting firm and the members of the Committee;
- Any ownership of Company stock by the individuals at the firm performing consulting services for the Committee; and

- Any business or personal relationship of the firm with an executive officer of the Company.

Meridian has provided the Committee with appropriate assurances and confirmation of its independent status pursuant to these and other factors. The Compensation Committee evaluated whether the work provided by Meridian raised any conflict of interest and determined that Meridian has been independent throughout its service to the Committee and no conflict of interest was raised by the work of Meridian described in this Proxy Statement.

Peer Group and Benchmarking Approach

The Committee regularly assesses the components of the executive compensation program with advice from its independent compensation consultant. In October 2024, Meridian provided an analysis of base salary, annual incentive and long-term incentive practices of comparable companies in the financial industry. Meridian considered individual compensation elements as well as the total compensation package. This analysis was considered by the Committee when it established 2025 pay opportunities for executives.

In performing this analysis, Meridian developed market data using publicly disclosed compensation information from a peer group of comparable financial institutions, as well as compensation surveys. Survey data reflected financial institutions of similar size to Hilltop and its operating subsidiaries. The Committee did not review the specific companies included in the survey data.

The compensation peer group includes institutions of generally similar asset size and, to the extent possible, organizations with significant other operating segments and noninterest income. In evaluating the peer group, the Committee considers that our combination of businesses adds complexity relative to other banks with similar asset sizes. The following banks were included in the peer group for Meridian's market study in October 2024:

Ameris Bancorp	First Financial Bankshares, Inc.	Simmons First National Corporation
BancFirst Corporation	Hancock Whitney Corporation	Texas Capital Bancshares, Inc.
Commerce Bancshares, Inc.	Independent Bank Group, Inc.	TowneBank
Community Financial System, Inc.	International Bancshares Corporation	Trustmark Corporation
Eastern Bankshares, Inc.	Merchants Bancorp	United Bankshares, Inc.
FB Financial Corporation	NBT Bancorp Inc.	WesBanco, Inc.
First Busey Corporation	Prosperity Bancshares, Inc.	WSFS Financial Corporation
First Financial Bancorp.	Renasant Corporation	

With Meridian's assistance, the Committee reviewed the peer group in October 2025 and December 2025 and determined to make changes to the group based upon merger and acquisition and other activity among the peers, as well as to add peers from each of the commercial and residential mortgage finance and investment banking and brokerage to better reflect the Company's business lines. The review resulted in the removal of BancFirst Corporation, Commerce Bancshares, Inc., Eastern Bankshares, Inc., Hancock Whitney Corporation, Independent Bank Group, Inc., International Bancshares Corporation, Prosperity Bancshares, Inc., Renasant Corporation, TowneBank, United Bankshares Inc., and WesBanco, Inc., and the addition of Banner Corporation, Enterprise Financial Services Corp. First Merchants Corporation, Home Bancshares, Inc., Oppenheimer Holdings Inc., Piper Sandler Companies, Seacoast Banking Corporation of Florida, Stellar Bancorp, Inc. and Walker & Dunlap, Inc.

Risk Considerations in Our Compensation Program

We do not believe that our compensation policies and practices for 2025 gave rise to risks that were reasonably likely to have a material adverse effect on our Company. In reaching this conclusion for 2025, we considered the following factors:

- Base salary is fixed and the only compensation components that are variable are the annual incentives and RSUs awarded to NEOs, which were awarded based upon attainment of pre-determined levels of earnings.
- Annual Incentive Plan payments to the NEOs were determined or approved following the substantial completion of the audit of the Company's consolidated financial statements by the Company's independent registered public accounting firm. Thus, the Committee had ample knowledge of the financial condition and results of the Company, as well as reports of other committees of the Board of Directors, upon which to base its decisions.
- We have a balanced program that includes multiple performance goals, rewards short-term and multi-year performance, pays in cash and equity and provides a meaningful portion of pay in stock, which is tied to our long-term performance.
- Annual Incentive Plan and 2020 Equity Incentive Plan awards are subject to clawback in accordance with our Incentive Compensation Clawback Policy.
- Each year the Committee reviews all compensation programs to ensure existing programs are not reasonably likely to have a material adverse effect on the Company.

EXECUTIVE COMPENSATION PROGRAMS AND POLICIES

Stock Ownership Guidelines

In February 2014, the Committee recommended, and the Board of Directors adopted, a stock ownership policy applicable to our executive officers. Within five years of the later of appointment or the date the policy was adopted, executive officers are required to achieve and maintain ownership of a defined market value of Company common stock equal to a minimum number of equity or equity-based securities as follows:

- Six times annual base salary for the Chief Executive Officer; and
- Three times annual base salary for the other executive officers.

Under this policy, directors are expected to own shares with a value greater than five times their annual retainer for serving on the Board of Directors of the Company, unless they are subject to certain restrictions on receiving director fees, or fees in the form of stock. Our director compensation program permits directors to elect to receive their director compensation in cash, Company common stock or a combination of cash and Company common stock.

In calculating equity ownership for purposes of the stock ownership guidelines, we include all shares beneficially owned by an individual, such as shares owned by an individual in the Company's benefit plans (e.g., Employee Stock Purchase Plan), shares of restricted stock and shares with respect to which an individual has voting or investment power. Unexercised stock options and unearned performance shares are excluded when determining ownership for these purposes.

Executive officers are expected to hold 50% of any net shares received through compensatory equity-based grants until the ownership guidelines are achieved. Once such officer achieves the ownership requirement, he or she is no

longer restricted by this holding requirement, provided his or her total stock ownership level does not fall below the ownership guidelines. In addition, all awards of RSUs granted since February 2014 to NEOs are, subject to certain exceptions, required to be held for one year after vesting.

As of April 27, 2026, all NEOs meet the ownership guidelines.

Clawback Policy

On October 19, 2023, the Board of Directors of Hilltop adopted the Incentive Compensation Clawback Policy in order to maintain a culture of focused, diligent and responsible management that discourages conduct detrimental to the growth of the Company and to ensure that incentive-based compensation paid by the Company is based upon accurate financial data. The Incentive Compensation Clawback Policy is designed to comply, and is interpreted consistently with, Section 10D of the Exchange Act, Rule 10D-1 promulgated under the Exchange Act and Section 303A.14 of the NYSE Listed Company Manual. In January 2025, the Incentive Compensation Clawback Policy was amended to include items in addition to financial information that require clawback of incentive compensation. All RSUs are subject to this policy, as well. A copy of this policy, as most recently approved by the Board of Directors of Hilltop on January 30, 2025, can be found as Exhibit 97 to our Annual Report on Form 10-K.

Our compensation program also includes a clawback from any annual cash or long-term incentive award for improper risk taking and significant compliance issues.

Tax Considerations

The Committee continues to reserve flexibility to provide compensation arrangements that it believes are consistent with its compensation philosophy even if the arrangements will result in non-deductible compensation.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors of Hilltop Holdings Inc. has reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement. Based on its review, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Proxy Statement.

The foregoing report has been submitted by the following members of the Compensation Committee:

W. Robert Nichols, III (Chairman) Rhodes R. Bobbitt Robert C. Taylor, Jr.

NEO COMPENSATION

The following tables set forth information concerning the compensation earned for services performed during 2025, 2024 and 2023 by the NEOs, who were either serving in such capacities on December 31, 2025, during 2025, or are reportable pursuant to applicable SEC regulations.

Summary Compensation Table

Fiscal Years 2025, 2024 and 2023

Name and principal position	Year	Salary ($)	Bonus (a)($)	Stock Awards (b)($)	Option Awards ($)	Non-Equity Incentive Plan Compensation (c)($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation (d)($)	Total ($)
Jeremy B. Ford	2025	800,000	—	2,610,436	—	—	—	116,845	3,527,281
Chairman, President and Chief	2024	800,000	—	2,588,803	—	849,534	—	148,575	4,386,912
Executive Officer and Chief	2023	800,000	—	2,645,459	—	641,333	—	143,965	4,230,757
Executive Officer of the Bank									
William B. Furr	2025	575,000	—	660,131	—	683,252	—	12,920	1,931,303
Executive Vice President and	2024	575,000	—	624,926	—	581,132	—	12,490	1,793,548
Chief Financial Officer	2023	575,000	—	638,575 (e)	—	444,500	—	12,420	1,670,495
M. Bradley Winges	2025	500,000	—	1,300,222	—	2,259,584	—	15,104	4,074,910
President and Chief Executive	2024	500,000	—	1,485,771	—	2,066,378	—	20,246	4,072,395
Officer of Hilltop Securities	2023	500,000	—	912,230 (f)	—	2,386,328	—	33,082	3,831,640
Stephen Thompson	2025	800,000	—	750,142	—	572,454	—	44,542	2,167,138
President and Chief Executive	2024	800,000	—	714,331 (g)	—	561,705	—	47,938	2,123,974
Officer of PrimeLending	2023	800,000	—	1,029,793	—	450,556	—	51,291	2,331,640
Corey G. Prestidge	2025	455,000	—	455,089	—	553,108	—	28,132	1,491,329
Executive Vice President,	2024	455,000	—	428,781	—	470,440	—	23,030	1,377,251
General Counsel and	2023	455,000	—	437,876	—	340,708	—	16,705	1,250,289
Secretary									

(a) Represents discretionary bonuses paid for services during 2025, 2024 and 2023, as applicable.

(b) Reflects the grant date fair value calculated in accordance with the provisions of the Stock Compensation Topic of the ASC, in accordance with the assumptions described in Note 20 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, with the exception that the amounts shown assume no forfeitures. The value of performance-based stock awards is based on the probable outcome of the applicable performance conditions. The following table presents the value of performance-based awards included in the table above based on the achievement of both probable and maximum outcomes:

		Performance-Based Stock Awards	
Name	Year	(Probable Achievement) ($)	(Maximum Achievement) ($)
Jeremy B. Ford	2025	1,305,420	1,958,130
	2024	1,283,760	1,925,641
	2023	1,340,450	2,010,676
William B. Furr	2025	330,101	495,151
	2024	309,894	464,841
	2023	323,569	485,354
M. Bradley Winges	2025	675,184	1,012,776
	2024	860,766	1,291,150
	2023	462,232	693,347
Stephen Thompson	2025	375,113	562,669
	2024	354,229	531,344
	2023	369,778	554,667
Corey G. Prestidge	2025	227,580	341,370
	2024	212,628	318,942
	2023	221,874	332,811

(c) For 2025, represents cash awards earned under the Annual Incentive Plan for services during 2025, but paid in February 2026. For 2024, represents cash awards earned under the Annual Incentive Plan for services during 2024, but paid in February 2025. For 2023, represents cash awards earned under the Annual Incentive Plan for services during 2023, but paid in February 2024.

(d) Includes amounts paid during 2025, 2024 and 2023, as applicable, for group life insurance premiums, auto allowance, club expenses, use of company car and aircraft, moving expenses and cellular phone reimbursement, which is described in more detail in the table below.

(e) Includes 11,258 time-based RSUs granted to Mr. Furr in connection with entering into an amendment to his employment agreement effective August 30, 2022.

(f) Includes 8,892 time-based RSUs granted to Mr. Winges in connection with entering into an amendment to his employment agreement effective February 20, 2022.

(g) Includes 9,175 time-based RSUs granted to Mr. Thompson in connection with entering into an amendment to his employment agreement effective December 31, 2022.

		All Other Compensation					
Name	Year	Perquisites and Personal Benefits (a)($)	Gross-Ups or Other Amounts Reimbursed for the Payment of Taxes ($)	Company Contributions to Defined Contribution Plans ($)	Insurance Policies (b)($)	Other ($)	Total All Other Compensation ($)
Jeremy B. Ford	2025	103,301	—	11,750	1,794	—	116,845
	2024	135,557	—	11,500	1,518	—	148,575
	2023	131,545	—	11,250	1,170	—	143,965
William B. Furr	2025	—	—	11,750	1,170	—	12,920
	2024	—	—	11,500	990	—	12,490
	2023	—	—	11,250	1,170	—	12,420
M. Bradley Winges	2025	—	—	11,750	3,354	—	15,104
	2024	5,822	—	11,500	2,924	—	20,246
	2023	18,478	—	11,250	3,354	—	33,082
Stephen Thompson	2025	27,644	—	11,750	5,148	—	44,542
	2024	32,082	—	11,500	4,356	—	47,938
	2023	34,893	—	11,250	5,148	—	51,291
Corey G. Prestidge	2025	14,588	—	11,750	1,794	—	28,132
	2024	10,012	—	11,500	1,518	—	23,030
	2023	4,285	—	11,250	1,170	—	16,705

(a) Year 2025: For Mr. Jeremy B. Ford, reflects personal use of company airplane of $103,301. Personal use of company aircraft is calculated on a per mile basis utilizing SIFL rates published by the IRS. For Mr. Thompson, reflects club expenses of $14,444, a car allowance of $12,000 and cellular phone reimbursement of $1,200. For Mr. Prestidge, reflects personal use of company airplane of $13,988 and cellular phone reimbursement of $600.

(b) Reflects group term life insurance premiums paid for Messrs. Jeremy B. Ford, Furr, Winges, Thompson and Prestidge, as applicable. Group term life insurance is made available to all employees.

Grants of Plan-Based Awards

Grants of Plan-Based Awards Table
Fiscal Year 2025

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (a)			Estimated Future Payouts Under Equity Incentive Plan Awards (b)			All Other Stock Awards: Number of Shares of Stock or Units (c)(#)	Grant Date Fair Value of Share and Option Awards (d)($)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)		
Jeremy B. Ford	2/5/2025							40,428	1,305,016
	2/5/2025				20,214	40,428	60,642		1,305,420
	2/5/2025	400,000	800,000	1,480,000					
William B. Furr	2/5/2025							10,224	330,031
	2/5/2025				5,112	10,223	15,335		330,101
	2/5/2025	262,500	525,000	971,250					
M. Bradley Winges	2/5/2025							19,363	625,038
	2/5/2025				10,455	20,910	31,365		675,184
	2/5/2025	975,000	1,950,000	3,607,500					
Stephen Thompson	2/5/2025							11,618	375,029
	2/5/2025				5,809	11,617	17,426		375,113
	2/5/2025	400,000	800,000	1,480,000					
Corey G. Prestidge	2/5/2025							7,048	227,509
	2/5/2025				3,524	7,048	10,572		227,580
	2/5/2025	212,500	425,000	786,250					

(a) Represent the value of potential payments under the Annual Incentive Plan to the NEOs based on 2025 performance. Management incentive award amounts shown above represent potential awards that may have been earned based on performance during 2025. The actual amounts earned pursuant to Annual Incentive Plan awards for 2025 are reported in the "Summary Compensation Table" above. For more information regarding the Annual Incentive Plan, see below and also refer to "Compensation Discussion and Analysis" in this Proxy Statement.

(b) Represents performance-based RSUs that vest based upon the achievement of certain performance goals during the three-year period beginning January 1, 2025 and ending December 31, 2027. These RSUs were issued pursuant to the 2020 Equity Incentive Plan and a form of award agreement and are subject to forfeiture, accelerated vesting and other restrictions as more fully set forth in the 2020 Equity Incentive Plan and the form of award agreement. Performance-based RSU award amounts shown above do not reflect the impact of the TSR modifier. For additional information, see "Compensation Discussion and Analysis — Compensation Program Philosophy and Objections" and "Compensation Discussion and Analysis — Elements of our Executive Compensation Program — Long-Term Incentive Awards."

(c) Represents time-based RSUs that cliff vest upon the third anniversary of the date of grant. These RSUs were issued pursuant to the 2020 Equity Incentive Plan and a form of award agreement and are subject to forfeiture, accelerated vesting and other restrictions as more fully set forth in the 2020 Equity Incentive Plan and the form of award agreement. For additional information, see "Compensation Discussion and Analysis — Elements of our Executive Compensation Program — Long-Term Incentives."

(d) Reflects the grant date fair value calculated in accordance with the provisions of the Stock Compensation Topic of the ASC. The value of the performance-based stock awards is based on the probable outcome of the applicable performance conditions. For more information regarding outstanding awards held by the NEO, refer to section "Outstanding Equity Awards at Fiscal Year End" below.

NARRATIVE DISCLOSURE TO SUMMARY COMPENSATION TABLE AND GRANTS OF PLAN-BASED AWARDS TABLE

Employment Contracts and Incentive Plans

Set forth below is a summary of our employment agreements with Messrs. Furr, Winges and Thompson. We do not have an employment agreement with Messrs. Jeremy B. Ford and Prestidge. Also set forth below is a description of our incentive plans, pursuant to which the awards included in the Outstanding Equity Awards at Fiscal Year-End Table below were made to our NEOs. The Compensation Committee believes that the arrangements described below serve our interests and the interests of our stockholders because they help secure the continued employment and dedication of our NEOs prior to or following a change in control, without concern for their own continued employment.

Employment Contracts

Mr. Furr. In connection with the appointment of Mr. Furr as Chief Financial Officer of the Company, the Company and Mr. Furr entered into an employment agreement effective as of September 1, 2016. The employment agreement remained in effect until the third anniversary of the effective date. In August 2019 and August 2022, the employment agreement was amended to extend its term until August 31, 2022 and August 31, 2025, respectively. Mr. Furr's employment agreement was further amended on December 8, 2025, to extend the term of the agreement to August 31, 2028. Pursuant to this amended agreement, Mr. Furr is entitled to a minimum annual base salary of $575,000 and is eligible to participate in (1) an annual incentive bonus program adopted by the Compensation Committee of the Board of Directors of the Company, or whomever is delegated such authority by the Board of Directors, and (2) any long-term incentive award programs adopted by the Compensation Committee, or whomever is delegated such authority by the Board of Directors. Mr. Furr also is entitled to reimbursement of employment-related expenses and to participate in the employee benefit programs generally available to employees of the Company. In consideration for the addition of the 24-month customer non-solicitation provision and the increased time period of the employee non-solicitation provision from twelve to 24 months, as well as other additional provisions, the first amendment to the employment agreement provided that Mr. Furr was entitled to receive a grant of RSUs having an aggregate fair market value of $325,000 on the date of grant. As consideration for Mr. Furr entering into a second amendment to employment with the Company, Mr. Furr was entitled to receive a grant of RSUs having an aggregate fair market value of $300,000 on the date of grant. The third amendment to the employment agreement expanded the employee non-interference/solicit provisions and removed the non-competition provision, among other changes, including in the event of Mr. Furr's death or disability, Mr. Furr (or his estate) will be entitled to receive (i) the Furr Accrued Amounts and (ii) a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Furr (or his estate) executes and delivers a release to the Company. For a description of compensation and benefits to which Mr. Furr is entitled in the event of his termination or a change in control, see "Potential Payments Upon Termination or Change-in-Control" below.

Mr. Winges. The Company entered into an employment agreement with Mr. Winges that became effective upon his commencement of his employment with us on February 20, 2019. The employment agreement remained in effect until February 20, 2022. On March 31, 2022, the employment agreement was amended to extend its term until February 20, 2025, to remove certain provisions no longer applicable and add and modify other provisions to be consistent with other employment agreements. On April 25, 2025, the employment agreement was further amended to extend the term until February 29, 2028, and to make certain additional changes (see "Compensation Discussion and Analysis –

Severance and Other Post-Termination Arrangements – Winges Employment Agreement"). Pursuant to this amended agreement, Mr. Winges is entitled to an annual base salary of $500,000 and is eligible to participate in (1) an annual incentive bonus program adopted by the Compensation Committee of the Board of Directors of the Company, or whomever is delegated such authority by the Board, and (2) any long-term incentive award programs adopted by the Compensation Committee, or whomever is delegated such authority by the Board. The agreement also includes, among other things, customary non-interference and non-disparagement provisions. Mr. Winges's non-interference obligations continue for 18 months following the earlier of (i) his termination and (ii) termination of his employment agreement. In consideration for the addition of the non-interference and non-disparagement provisions, as well as other additional provisions, the first amendment to employment agreement provided that Mr. Winges was entitled to receive a grant of 8,892 RSUs. For a description of compensation and benefits to which Mr. Winges is entitled in the event of his termination or a change in control, see "Potential Payments Upon Termination or Change-in-Control" below.

Mr. Thompson. In connection with the promotion of Mr. Thompson as President and Chief Executive Officer of PrimeLending on October 25, 2019, the Company and Mr. Thompson entered into an employment agreement that became effective as of January 1, 2020. The employment agreement remained in effect until December 31, 2022. On December 31, 2022, the employment agreement was amended to extend its term until December 31, 2025, to remove certain provisions no longer applicable and modify other provisions to be consistent with other employment agreements. On February 2, 2026, the employment agreement was further amended to extend its term until December 31, 2028. Pursuant to this amended employment agreement, Mr. Thompson is entitled to a minimum annual base salary of $800,000 and is eligible to participate in (1) an annual incentive bonus program adopted by the Compensation Committee of the Board of Directors of the Company, or whomever is delegated such authority by the Board, and (2) any long-term incentive award programs adopted by the Compensation Committee, or whomever is delegated such authority by the Board. Mr. Thompson also is entitled to reimbursement of employment-related expenses and to participate in the employee benefit programs generally available to employees of the Company. The agreement also includes, among other things, customary non-competition, non-solicitation and confidentiality provisions. Mr. Thompson's non-competition obligations continue for 12 months following his termination, and Mr. Thompson's non-solicitation obligations continue for 18 months following the earlier of (i) his termination and (ii) the termination of his employment agreement. Additionally, pursuant to his employment agreement, Mr. Thompson received a sign-on grant of RSUs having an aggregate fair market value of $125,000 on the date of grant. With respect to calendar year 2020, the employment agreement provided that the value of his long-term incentive award granted in 2020 was at least $300,000. As consideration for Mr. Thompson entering into a first amendment to employment with the Company, Mr. Thompson was entitled to receive a grant of RSUs having an aggregate fair market value of $300,000 on the date of grant. For a description of compensation and benefits to which Mr. Thompson is entitled in the event of his termination or a change in control, see "Potential Payments Upon Termination or Change-in-Control" below.

Equity Incentive Plan

On July 23, 2020, our stockholders approved the 2020 Equity Incentive Plan. The 2020 Equity Incentive Plan provides for the grant of incentive stock options, nonqualified stock options, or SARs, restricted stock, RSUs, performance awards, dividend equivalent rights and other equity-based awards, which may be granted singly or in combination, and may be paid in cash or shares of our common stock, to our directors, officers and other employees and those of our subsidiaries selected by our Compensation Committee. At inception, 3,650,000 shares were authorized for issuance pursuant to the 2020 Equity Incentive Plan. All shares granted and outstanding pursuant to the 2020 Equity Incentive

Plan, whether vested or unvested, are entitled to receive dividends and to vote, unless forfeited. Generally, holders of restricted stock will be entitled to vote and receive dividends on their restricted shares, but our Compensation Committee may determine, in its discretion, whether dividends paid while the shares are subject to restrictions may be reinvested in additional shares of restricted stock. All other awards, including RSUs, are not entitled to dividends nor to vote; however, an award of RSUs may provide for rights with respect to dividends or dividend equivalents.

Stock options granted under the 2020 Equity Incentive Plan may be either "incentive stock options" within the meaning of Section 422 of the Code, or nonqualified stock options. All of the shares available for issuance as an award under the 2020 Equity Incentive Plan may be delivered pursuant to incentive stock options. Other than during the first calendar year in which a non-employee director has been elected to serve on the Board of Directors, no such director may be granted awards under the 2020 Equity Incentive Plan in any calendar year that, when taken together with all cash retainers and other fees paid to the director for services to Hilltop for the same calendar year, exceed $450,000 in the aggregate (with the value of any equity awards determined as of the date of grant); provided, however, the Chairman may be granted an award or awards each calendar year in an aggregate amount not to exceed 50,000 shares, which shall be in addition to the $450,000 annual limit on awards to non-employee directors described above. Five percent of the shares of our common stock that may be issued pursuant to awards under the 2020 Equity Incentive Plan may be granted with (or amended by the Compensation Committee to include) more favorable vesting conditions than those set forth in the 2020 Equity Incentive Plan.

The 2020 Equity Incentive Plan is administered by our Compensation Committee, which has the discretion to, among other things, determine the persons to whom awards will be granted, the number of shares of our common stock to be subject to awards and performance goals and other terms and conditions of the awards. Such performance goals may be applied to our Company as a whole, any of our subsidiaries or affiliates, and/or any of our divisions or strategic business units, and may be used to evaluate performance relative to a market index or a group of other companies. Further, the Compensation Committee has the authority to adjust the performance goals in recognition of unusual or non-recurring events. The 2020 Equity Incentive Plan provides that in no event will the Compensation Committee be authorized to re-price stock options, or to lower the base or exercise price of any SARs granted under such plan, without obtaining the approval of our stockholders.

Except as otherwise permitted by our Compensation Committee, awards granted under the 2020 Equity Incentive Plan will be transferable only by will or through the laws of descent and distribution, and each stock option will be exercisable during the participant's lifetime only by the participant or, upon the participant's death, by his or her estate. Director compensation paid in the form of our common stock, whether at our or the director's election, is issued through the 2020 Equity Incentive Plan.

Annual Incentive Plan

On September 20, 2012, our stockholders originally approved the Annual Incentive Plan. Our stockholders then reapproved the performance goals contained in the Annual Incentive Plan on June 15, 2017. The Annual Incentive Plan provides for a cash bonus to key employees who are selected by the Compensation Committee for participation in the plan. The Annual Incentive Plan is intended to permit the payment of "performance-based compensation" and is designed to reward executives whose performance during the fiscal year enabled us to achieve favorable business results and to assist us in attracting and retaining executives. A participant may receive a cash bonus under the Annual Incentive Plan based on the attainment, during each performance period, of performance objectives in support of our

business strategy that are established by our Compensation Committee. These performance objectives may be based on one or more of the performance criteria outlined in the Annual Incentive Plan.

The performance objectives may be applied with respect to Hilltop or any one or more of our subsidiaries, divisions, business units or business segments and may be applied to performance relative to a market index or a group of other companies. The Compensation Committee may adjust the performance goals applicable to any awards to reflect any unusual or non-recurring events.

Participation in the Annual Incentive Plan does not guarantee the payment of an award. All awards payable pursuant to the Annual Incentive Plan are discretionary and subject to approval by our Compensation Committee. After the performance period ends, the Compensation Committee determines the payment amount of individual awards based on the achievement of the performance objectives. No participant in the Annual Incentive Plan may receive an award that exceeds $10,000,000 per year. Except as otherwise provided in a participant's employment or other individual agreement, the payment of a cash bonus to a participant for a performance period is conditioned upon the participant's active employment on the date that the final awards are paid. We may amend or terminate the Annual Incentive Plan at any time.

Outstanding Equity Awards at Fiscal Year End

The following table presents information pertaining to all outstanding equity awards held by the NEOs as of December 31, 2025.

	Stock Awards			
Name	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested (a)($)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (a)(#)**	**Equity Incentive Plan Awards: Market or Payout of Value of Unearned Shares, Units or Other Rights That Have Not Vested (a)($)**
Jeremy B. Ford	38,147 (b)	1,294,709	30,707 (c)	1,042,196
	42,565 (d)	1,444,656	76,617 (e)	2,600,381
	40,428 (f)	1,372,126	72,770 (g)	2,469,814
William B. Furr	9,208 (b)	312,520	7,412 (c)	251,563
	10,275 (d)	348,734	18,495 (e)	627,720
	10,224 (f)	347,003	18,401 (g)	624,530
M. Bradley Winges	13,154 (b)	446,447	10,588 (c)	359,357
	20,385 (d)	691,867	51,372 (e)	1,743,566
	19,363 (f)	657,180	37,638 (g)	1,277,434
Stephen Thompson	10,523 (b)	357,151	8,471 (c)	287,506
	11,745 (d)	398,625	21,141 (e)	717,526
	11,618 (f)	394,315	20,910 (g)	709,685
Corey G. Prestidge	6,314 (b)	214,297	5,082 (c)	172,483
	7,050 (d)	239,277	12,690 (e)	430,699
	7,048 (f)	239,209	12,686 (g)	430,563

(a) Value based upon the closing price of $33.94 for our common stock on December 31, 2025. With respect to performance-based RSUs, the number of shares underlying each award was calculated based on the achievement of maximum level performance due to certain modifiers utilized in the performance calculation.

(b) Represents time-based RSUs that cliff vested on February 8, 2026.

(c) Represents shares underlying performance-based RSUs that vested on February 8, 2026 upon the achievement of certain performance goals during the three-year period beginning January 1, 2023 and ending December 31, 2025. Actual shares issued under performance awards were 80.5% of unvested shares, as approved by the Compensation Committee on February 11, 2026.

(d) Represents time-based RSUs that cliff vest upon the earlier of February 8, 2027 and a termination of employment without cause within the twelve months following or six months preceding a change of control.

(e) Represents performance-based RSUs that vest upon the achievement of maximum level performance during the three-year period beginning January 1, 2024 and ending December 31, 2026.

(f) Represents time-based RSUs that cliff vest upon the earlier of February 5, 2028 and a termination of employment without cause within the twelve months following or six months preceding a change of control.

(g) Represents performance-based RSUs that vest upon the achievement of maximum level performance during the three-year period beginning January 1, 2025 and ending December 31, 2027.

Option Exercises and Stock Vested in 2025

The following table presents information pertaining to any outstanding RSU awards held by the NEOs that vested during 2025. There were no option awards outstanding during 2025.

	Stock Awards		
Name	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)	
Jeremy B. Ford	45,940	1,475,133	(a)
William B. Furr	23,485	787,540	(b)
M. Bradley Winges	13,338	428,283	(a)
Stephen Thompson	23,254	765,311	(c)
Corey G. Prestidge	8,151	261,729	(a)

(a) Value based upon the closing price of $32.11 for our common stock on February 7, 2025 multiplied by the respective number of vested RSUs.

(b) Value based upon the closing prices of $32.11 and $35.08 for our common stock on February 7, 2025 and August 29, 2025, respectively, multiplied by the respective number of vested RSUs.

(c) Value based upon the closing prices of $32.11 and $34.14 for our common stock on February 7, 2025 and December 30, 2025, respectively, multiplied by the respective number of vested RSUs.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE-IN-CONTROL

The 2020 Equity Incentive Plan, under which we have granted awards to the NEOs, contain specific termination and change in control provisions. We determined to include a change in control provision in the plans to be competitive with what we believe to be the standards for the treatment of equity upon a change in control for similar companies and so that employees who remain after a change in control would be treated the same with regard to equity as the general stockholders who could sell or otherwise transfer their equity upon a change in control. Under the terms of the 2020 Equity Incentive Plan, all equity award agreements contain “double trigger” provisions, which require termination of employment within the six months preceding or the twelve months following a change in control in order for the equity awards to vest in connection with a change in control.

Employment Contracts

Mr. Furr: If Mr. Furr's amended employment agreement is terminated (1) by Mr. Furr, (2) by the Company for "cause" (as such term is defined in the employment agreement), or (3) in the event of Mr. Furr's death or disability, Mr. Furr (or his estate, as applicable) will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the employment agreement or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination. With respect to a termination resulting from Mr. Furr's death or disability, the unvested portion of the equity grants granted to him also will vest pro rata, subject to certain conditions, and Mr. Furr (or his estate) will be entitled to receive a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Furr (or his estate) executes and delivers a release to the Company.

If Mr. Furr's amended employment is terminated by the Company without "cause" (other than pursuant to a "change in control" (as such term is defined in the employment agreement)), Mr. Furr will be entitled to receive the amounts in the foregoing paragraph and, subject to his execution and delivery to the Company of a release, a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination.

If Mr. Furr's amended employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "change in control," Mr. Furr will be entitled to receive the same amount upon a termination for "cause" and a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination, provided that Mr. Furr executes and delivers a release to the Company. Any unvested portion of the equity grants also will vest. Notwithstanding, any amounts payable to Mr. Furr upon a change in control shall not constitute a "parachute payment" and shall be reduced accordingly.

Mr. Winges: If Mr. Winges's amended employment agreement is terminated (1) by Mr. Winges, (2) by the Company for "cause" (as such term is defined in the employment agreement), or (3) in the event of Mr. Winges's death or disability, Mr. Winges (or his estate, as applicable) will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the amended employment agreement, or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination. In addition to the amounts set forth immediately above, with respect to a termination resulting from Mr. Winges's death or disability or a termination by Mr. Winges after reaching the age of 65, Mr. Winges (or his estate) will be entitled to receive a pro rata portion of his target Incentive Bonus for such period, provided that Mr. Winges (or his estate) executes and delivers a release to the Company.

If Mr. Winges's amended employment is terminated by the Company without "cause" (other than pursuant to a "change in control" (as such term is defined in his employment agreement)), Mr. Winges will be entitled to receive the amounts set forth in the foregoing paragraph and, subject to his execution and delivery to the Company of a release, a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the average Incentive Bonuses paid to him in the three calendar years immediately preceding the year of the termination.

If Mr. Winges's employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "change in control," Mr. Winges will be entitled to receive the amounts set forth in the first paragraph of this section and a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the average Incentive Bonuses paid to him in the three calendar years immediately preceding the year of the termination, provided that Mr. Winges executes and delivers a release to the Company. Any unvested RSU awards also will vest if Mr. Winges is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "change in control." Notwithstanding, any amounts payable to Mr. Winges upon a "change in control" shall not constitute a "parachute payment" and will be reduced accordingly.

Mr. Thompson: If Mr. Thompson's amended employment agreement is terminated (1) by Mr. Thompson, (2) by the Company for "cause" (as such term is defined in the employment agreement), or (3) in the event of Mr. Thompson's death or disability, Mr. Thompson (or his estate, as applicable) will be entitled to receive his base salary through the effective date of such termination, all earned and unpaid and/or vested, nonforfeitable amounts owed to him at such time under the employment agreement or under any compensation or benefit plans, and reimbursement for any unreimbursed business expenses incurred prior to the effective date of such termination.

If Mr. Thompson's amended employment is terminated by the Company without "cause" (other than pursuant to a "change in control" (as such term is defined in the employment agreement)), Mr. Thompson will be entitled to receive the amounts in the foregoing paragraph and, subject to his execution and delivery to the Company of a release, a lump-sum cash payment equal to the sum of (A) his annual base salary rate immediately prior to the effective date of such termination, (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination and (C) the cost of COBRA for a period of twelve months.

If Mr. Thompson's amended employment is terminated without "cause" within the twelve months immediately following, or the six months immediately preceding, a "change in control," Mr. Thompson will be entitled to receive the same amount upon a termination for "cause", the cost of COBRA for a period of twelve months, and a lump-sum cash payment equal to two times the sum of (A) his annual base salary rate immediately prior to the effective date of such termination and (B) an amount equal to the Incentive Bonus paid to him in respect of the calendar year immediately preceding the year of the termination, provided that Mr. Thompson executes and delivers a release to the Company. Any unvested portion of the equity grants also will vest. Notwithstanding, any amounts payable to Mr. Thompson upon a change in control shall not constitute a "parachute payment" and shall be reduced accordingly.

Definitions of "Cause" and "Disability" Under Employment Contracts

For the purposes of the employment agreements of Messrs. Furr, Winges and Thompson, "cause" means:

- an act of fraud, embezzlement or theft;
- the Company is required to remove or replace executive by formal order or formal or informal instruction, including a requested consent order or agreement, from the Federal Reserve or any other regulatory authority having jurisdiction;
- intentional wrongful damage to property of the Company;
- intentional wrongful disclosure of trade secrets or confidential information of the Company;

- intentional violation of any law, rule or regulation (other than traffic violations or similar offenses) or final cease and desist order;
- intentional breach of fiduciary duty involving personal profit;
- intentional action or inaction that causes material economic harm to the Company;
- a material violation of the Company's written policies, standards or guidelines applicable to executive; or
- the failure or refusal of executive to follow the reasonable lawful directives of the Board or, in case of Messrs. Furr and Thompson, their respective supervisors.

For the purposes of the employment agreement with Messrs. Furr, Winges and Thompson, "disability" is defined in accordance with our disability policy in effect at the time of the disability.

Set forth below are the amounts that Messrs. Jeremy B. Ford, Furr, Winges, Thompson and Prestidge would have received if the specified events had occurred on December 31, 2025.

Jeremy B. Ford	Termination for Cause	Termination due to Death or Disability	Termination Without Cause	Change of Control
Accrued amounts	$ —	$ —	$ —	$ —
Cash payment	—	—	—	—
Cash severance	—	—	—	—
Restricted stock units (a)	—	4,973,513	4,973,513	8,222,949
Welfare benefits	—	—	—	—
Total	**$ —**	**$ 4,973,513**	**$ 4,973,513**	**$ 8,222,949**

(a) RSUs vest ratably upon the death or disability of the participant or termination of the participant without cause. The foregoing assumes the death or disability or termination of the participant without cause on December 31, 2025. If a change of control under the 2020 Equity Incentive Plan occurs and assuming participant is terminated without cause on the date of the change in control, all unvested RSUs vest upon such event, which for purposes of the foregoing assumes December 31, 2025. In each case, it is assumed the target award is achieved or utilized to calculate vesting of performance awards. The form of award governing a portion of the RSUs includes a non-solicitation provision that is triggered upon the participant's termination. For additional information, see "— Incentive Plans."

William B. Furr	Termination for Cause	Termination due to Death or Disability	Termination Without Cause	Change of Control
Accrued amounts	$ —	$ —	$ —	$ —
Cash payment	—	—	—	—
Cash severance (a)	—	525,000	1,156,132	2,312,264
Restricted stock units (b)	—	1,209,314	1,209,314	2,016,477
Welfare benefits	—	—	—	—
Total	**$ —**	**$ 1,734,314**	**$ 2,365,446**	**$ 4,328,741**

(a) Cash severance calculation if Mr. Furr is terminated without cause is based upon the sum of: (i) Mr. Furr's annual base salary rate and (ii) an amount equal to annual incentive cash bonus paid to Mr. Furr in respect of the calendar year immediately preceding the year of the date of termination. If his employment is terminated without cause upon a change of control, the cash severance calculation is based upon two times the sum of: (i) Mr. Furr's annual base salary rate and (ii) an amount equal to annual incentive cash bonus paid to Mr. Furr in respect of the calendar year immediately preceding the year of the date of termination. If his employment is terminated due to death or disability, the cash severance calculation is based upon an amount equal to the pro rata portion of Mr. Furr's target incentive cash bonus for such period. Assumes death or disability on December 31, 2025.

(b) RSUs vest ratably upon the death or disability of the participant or termination of the participant without cause. The foregoing assumes the death or disability or termination of the participant without cause on December 31, 2025. If a change of control under the 2020 Equity Incentive

Plan occurs and assuming participant is terminated without cause on the date of the change in control, all unvested RSUs vest upon such event, which for purposes of the foregoing assumes December 31, 2025. In each case, it is assumed the target award is achieved or utilized to calculate vesting of performance awards. The form of award governing a portion of the RSUs includes a non-solicitation provision that is triggered upon the participant's termination. For additional information, see "— Incentive Plans."

M. Bradley Winges	Termination for Cause	Termination due to Death or Disability	Termination Without Cause	Change of Control
Accrued amounts	$ —	$ —	$ —	$ —
Cash payment	—	—	—	—
Cash severance (a)	—	1,950,000	2,309,235	4,618,471
Restricted stock units (b)	—	2,237,732	2,237,732	3,920,274
Welfare benefits	—	—	—	—
Total	**$ —**	**$ 4,187,732**	**$ 4,546,967**	**$ 8,538,744**

(a) Cash severance calculation if Mr. Winges is terminated without cause is based upon the sum of: (i) Mr. Winges's annual base salary rate and (ii) an amount equal to the average incentive cash bonus paid to Mr. Winges in respect of the three calendar years immediately preceding the year of the date of termination. If his employment is terminated without cause upon a change of control, the cash severance calculation is based upon two times the sum of: (i) Mr. Winges's annual base salary rate and (ii) an amount equal to the average incentive cash bonus paid to Mr. Winges in respect of the three calendar years immediately preceding the year of the date of termination. If his employment is terminated due to death or disability, the cash severance calculation is based upon an amount equal to the pro rata portion of Mr. Winges's target incentive cash bonus for such period. Assumes death or disability on December 31, 2025.

(b) RSUs vest ratably upon the death or disability of the participant or termination of the participant without cause. The foregoing assumes the death or disability or termination of the participant without cause on December 31, 2025. If a change of control under the 2020 Equity Incentive Plan occurs and assuming participant is terminated without cause on the date of the change of control, all unvested RSUs vest upon such event, which for purposes of the foregoing assumes December 31, 2025. In each case, it is assumed the target award is achieved or utilized to calculate vesting of performance awards. The form of award governing a portion of the RSUs includes a non-solicitation provision that is triggered upon the participant's termination. For additional information, see "— Incentive Plans."

Stephen Thompson	Termination for Cause	Termination due to Death or Disability	Termination Without Cause	Change of Control
Accrued amounts	$ —	$ —	$ —	$ —
Cash payment	—	—	—	—
Cash severance (a)	—	800,000	1,361,705	2,723,410
Restricted stock units (b)	—	1,380,881	1,380,881	2,300,148
Welfare benefits	—	24,548	24,548	24,548
Total	**$ —**	**$ 2,205,429**	**$ 2,767,134**	**$ 5,048,106**

(a) Cash severance calculation if Mr. Thompson is terminated without cause is based upon the sum of: (i) Mr. Thompson's annual base salary rate and (ii) an amount equal to annual incentive cash bonus paid to Mr. Thompson in respect of the calendar year immediately preceding the year of the date of termination. If his employment is terminated without cause upon a change of control, the cash severance calculation is based upon two times the sum of: (i) Mr. Thompson's annual base salary rate and (ii) an amount equal to annual incentive cash bonus paid to Mr. Thompson in respect of the calendar year immediately preceding the year of the date of termination. If his employment is terminated due to death or disability, the cash severance calculation is based upon an amount equal to the pro rata portion of Mr. Thompson's target incentive cash bonus for such period. Assumes death or disability on December 31, 2025.

(b) RSUs vest ratably upon the death or disability of the participant or termination of the participant without cause. The foregoing assumes the death or disability or termination of the participant without cause on December 31, 2025. If a change of control under the 2020 Equity Incentive Plan occurs and assuming participant is terminated without cause on the date of the change in control, all unvested RSUs vest upon such event, which for purposes of the foregoing assumes December 31, 2025. In each case, it is assumed the target award is achieved or utilized to calculate vesting of performance awards. The form of award governing a portion of the RSUs includes a non-solicitation provision that is triggered upon the participant's termination. For additional information, see "— Incentive Plans."

Corey G. Prestidge	Termination for Cause	Termination due to Death or Disability	Termination Without Cause	Change of Control
Accrued amounts	$ —	$ —	$ —	$ —
Cash payment	—	—	—	—
Cash severance	—	—	—	—
Restricted stock units (a)	—	830,127	830,127	1,385,567
Welfare benefits	—	—	—	—
Total	**$ —**	**$ 830,127**	**$ 830,127**	**$ 1,385,567**

(a) RSUs vest ratably upon the death or disability of the participant or termination of the participant without cause. The foregoing assumes the death or disability or termination of the participant without cause on December 31, 2025. If a change of control under the 2020 Equity Incentive Plan occurs and assuming participant is terminated without cause on the date of the change in control, all unvested RSUs vest upon such event, which for purposes of the foregoing assumes December 31, 2025. In each case, it is assumed the target award is achieved or utilized to calculate vesting of performance awards. The form of award governing a portion of the RSUs includes a non-solicitation provision that is triggered upon the participant's termination. For additional information, see "— Incentive Plans."

Incentive Plans

Under the 2020 Equity Incentive Plan, a change in control generally occurs if: (i) with certain exceptions, any person becomes the owner of 33% or more of the outstanding shares of our common stock or the combined voting power of our outstanding stock and other voting securities; (ii) a majority of the directors serving on our Board of Directors are replaced other than by new directors approved by at least two-thirds of the members of our Board of Directors; (iii) we are not the surviving company after a merger or consolidation or sale of all or substantially all of our assets; or (iv) with certain exceptions, our stockholders approve a plan of complete liquidation or dissolution.

In 2019, the Compensation Committee of the Board of Directors adopted new forms of award agreements that provide for a "double trigger", which requires termination "without cause" or for "good reason" within the six months preceding or twelve months following a change in control in order for the equity awards to vest in connection with a change in control. We believe the "double trigger" is in line with current practices of public companies. Accordingly, grantees will not receive any additional benefit if their employment continues following a change in control.

PAY VERSUS PERFORMANCE

As required by Section 953(a) of the Dodd-Frank Act and Item 402(v) of Regulation S-K, we are providing the following information about the relationship between "compensation actually paid" to our principal executive officer, or PEO, and our other NEOs and certain Company financial performance metrics. The SEC-defined "compensation actually paid" data set forth in the table below does not reflect the actual amount of compensation earned by or paid to our executive officers during a covered year or how the Compensation Committee evaluates compensation decisions in light of the Company's performance or individual performance. For further information concerning our pay-for-performance philosophy and how we align executive compensation with Company financial performance, refer to the Compensation Program Philosophy and Objectives in the "Compensation Discussion and Analysis" section of this Proxy Statement.

Information presented in this section will not be deemed to be incorporated by reference into any of our filings under the Securities Act of 1933, as amended, or the Exchange Act, except as we may expressly do so.

	Pay				Performance			
	PEO		Average of Non-PEO NEOs		Cumulative Total Shareholder Return (Value of Initial Fixed $100 Investment)			
Year (a)	SCT Total Compensation	Compensation Actually Paid (b)	SCT Total Compensation	Compensation Actually Paid (b)	Cumulative TSR	Peer Group TSR (c)	Net Income ($M)	Basic Earnings Per Share (d)
2025	$ 3,527,281	$ 4,857,856	$ 2,416,170	$ 2,905,154	$ 136	$ 143	$ 166	$ 2.64
2024	$ 4,386,912	$ 2,287,072	$ 2,524,190	$ 2,022,813	$ 112	$ 130	$ 113	$ 1.74
2023	$ 4,230,757	$ 5,062,081	$ 2,443,749	$ 2,460,899	$ 135	$ 109	$ 110	$ 1.69
2022	$ 4,889,906	$ 1,531,156	$ 2,445,127	$ 2,237,700	$ 113	$ 118	$ 113	$ 1.61
2021	$ 6,678,697	$ 11,966,446	$ 2,690,782	$ 3,667,347	$ 130	$ 139	$ 374	$ 4.64

(a) For each covered year, the PEO was Mr. Jeremy B. Ford. For 2021-2023, the other NEOs were Messrs. Furr, Winges and Thompson and former NEO Mr. Jerry L. Schaffner. For 2024, the other NEOs were Messrs. Furr, Winges, Thompson, Prestidge and former NEO Mr. Schaffner. For 2025, the NEOs were Messrs. Furr, Winges, Thompson and Prestidge.

(b) Amounts reported in this column are based on total compensation reported for our PEO and other NEOs in the Summary Compensation Table for the indicated fiscal years and adjusted as shown in the table below. Fair value of equity awards was computed in accordance with the Company's methodology used for financial reporting purposes.

(c) Pursuant to Item 402(v) of Regulation S-K, the Company used the same peer group used for purposes of Item 201(e) of Regulation S-K, S&P Regional Banks Select Industry Index. In prior year disclosures, the Company used the KBW NASDAQ Regional Bank Index which would have resulted in cumulative TSR of $123, $114, $113 and $127 for 2021 through 2024. The change in peer group was due to there no longer being a suitable ETF to use to calculate total returns.

(d) Represent Basic Earnings per Share as presented in our audited financial statements.

	2025		2024		2023		2022		2021	
Adjustments	PEO	Non-PEO NEOs	PEO	Non-PEO NEOs	PEO	Non-PEO NEOs	PEO	Non-PEO NEOs	PEO	Non-PEO NEOs
Total from Summary Compensation Table	**$ 3,527,281**	**$ 2,416,170**	**$ 4,386,912**	**$ 2,524,190**	**$ 4,230,757**	**$ 2,443,749**	**$ 4,889,906**	**$ 2,445,127**	**$ 6,678,697**	**$ 2,690,782**
Subtract grant date fair value of equity awards reported in Summary Compensation Table for the covered year	(2,610,436)	(791,396)	(2,588,803)	(650,762)	(2,645,459)	(771,852)	(3,451,471)	(1,064,840)	(4,322,657)	(791,874)
Add fair value at year-end of any equity awards granted in the covered year that are outstanding and unvested as of the end of the covered year	3,562,515	1,083,941	2,133,572	530,845	2,167,801	651,786	2,655,725	777,458	6,062,446	1,106,608
Add/subtract change in fair value of awards granted in any prior year that are outstanding and unvested at end of covered year	1,693,758	516,532	(844,265)	(245,833)	1,643,710	345,122	(2,049,477)	(317,180)	2,884,432	579,188
Add fair value as of the vesting date of any awards granted in the covered year that vested during the covered year	—	—	—	—	—	—	—	—	—	—
Add/subtract change in fair value as of the vesting date of any equity awards granted in any prior year for which all applicable vesting conditions were satisfied during the covered year	(1,315,262)	(320,093)	(800,344)	(135,628)	942,338	135,916	(513,527)	397,135	663,528	82,643
Subtract fair value of awards forfeited in current covered year determined at end of prior covered year	—	—	—	—	(1,277,066)	(343,821)	—	—	—	—
Total Impact: Adjustments for stock and option awards	**$ 1,330,575**	**$ 488,984**	**$ (2,099,840)**	**$ (501,378)**	**$ 831,324**	**$ 17,150**	**$ (3,358,750)**	**$ (207,427)**	**$ 5,287,749**	**$ 976,565**
Compensation Actually Paid (as calculated)	**$ 4,857,856**	**$ 2,905,154**	**$ 2,287,072**	**$ 2,022,813**	**$ 5,062,081**	**$ 2,460,899**	**$ 1,531,156**	**$ 2,237,700**	**$ 11,966,446**	**$ 3,667,347**

Stock awards for our NEOs consist of a combination of time-based restricted stock units and performance-based restricted stock units. Equity fair values are calculated in accordance with the provisions of the Stock Compensation Topic of the ASC. The fair value of unvested time-based restricted stock units, as well as the fair value of all share-based awards upon vesting, is based upon the closing price of a share on the NYSE as of the applicable measurement date. The fair value of unvested performance-based restricted stock units is based upon the probable outcome of the applicable performance conditions as of the measurement date. We do not grant stock options to our NEOs. Additionally, none of our NEOs participate in a defined benefit or actuarial pension plan.

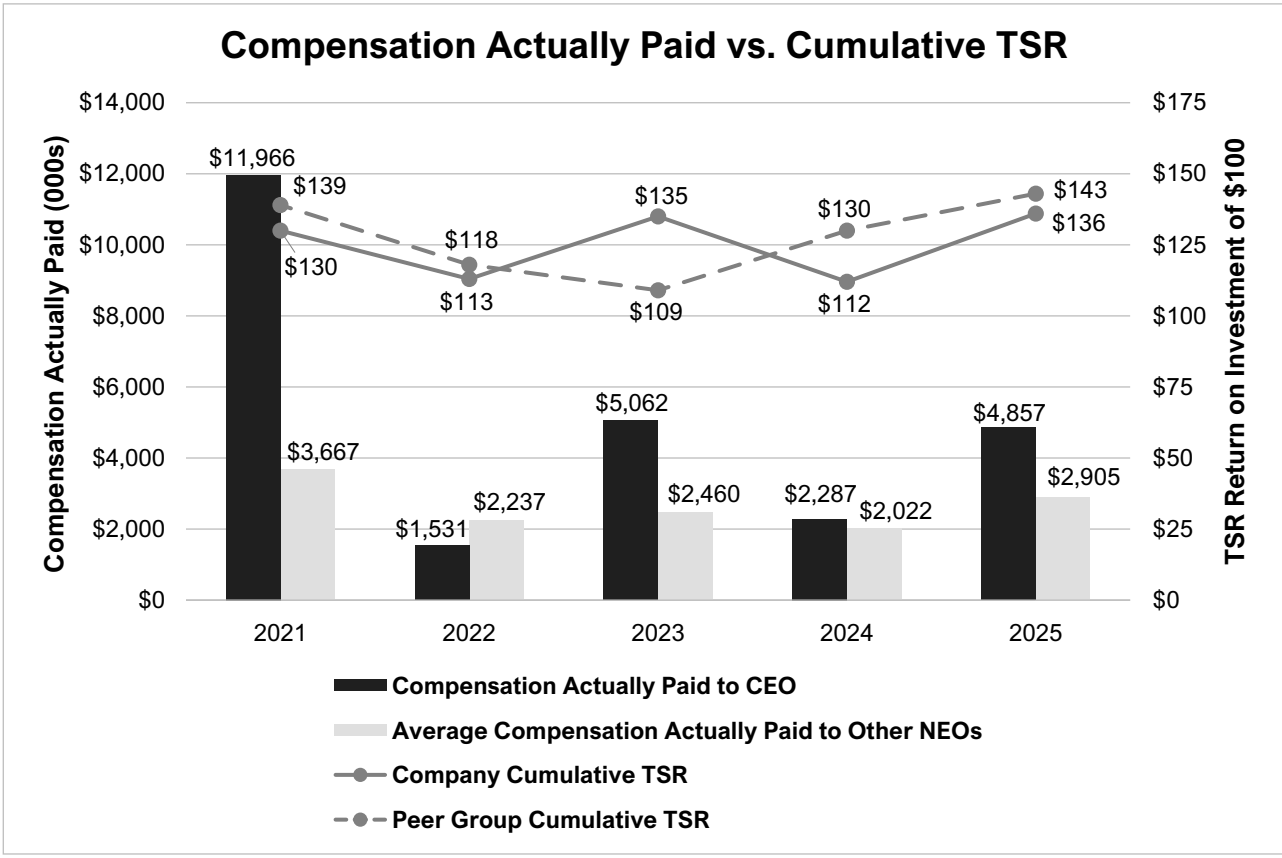
Most Important Financial Performance Measures

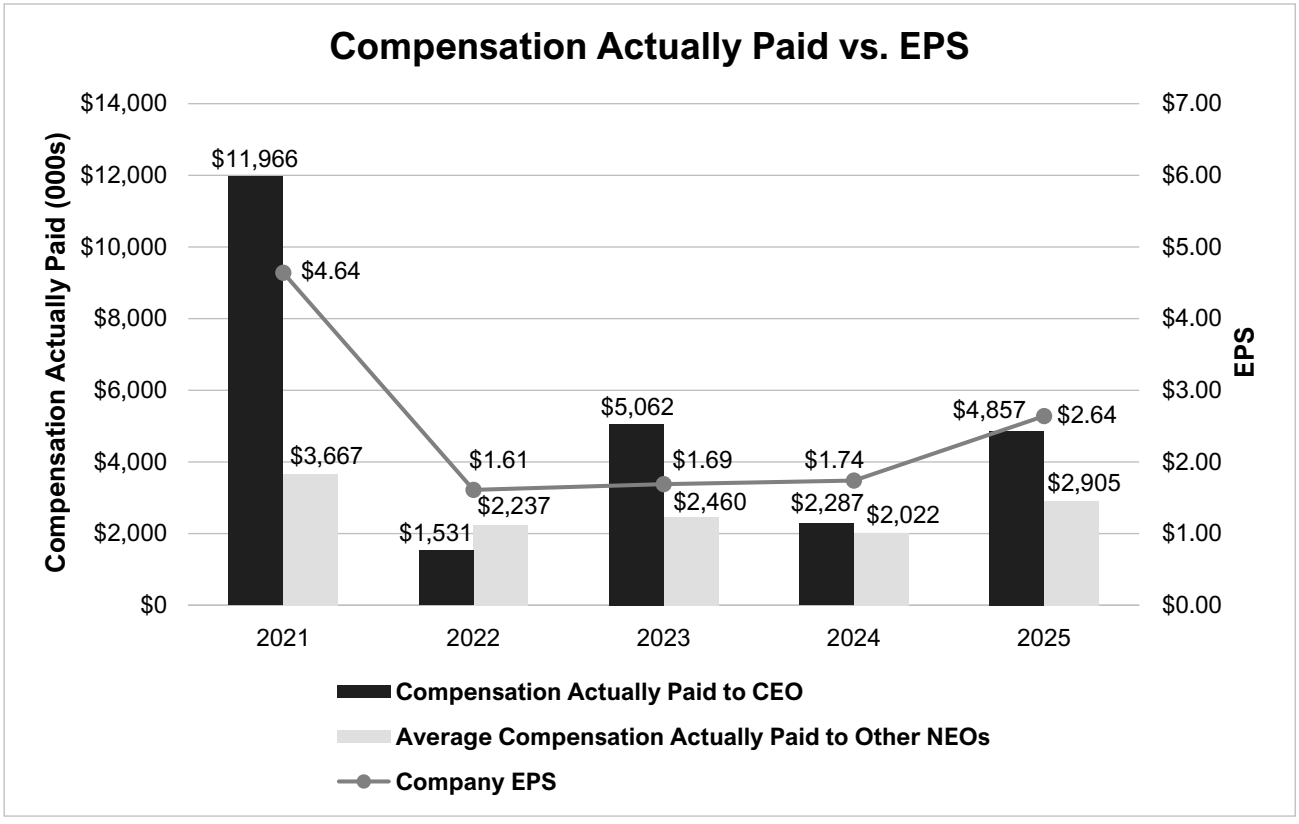
The following were the most important financial performance measures used by the Company to link executive compensation actually paid to the Company's NEOs for the most recently completed fiscal year to the Company's performance:

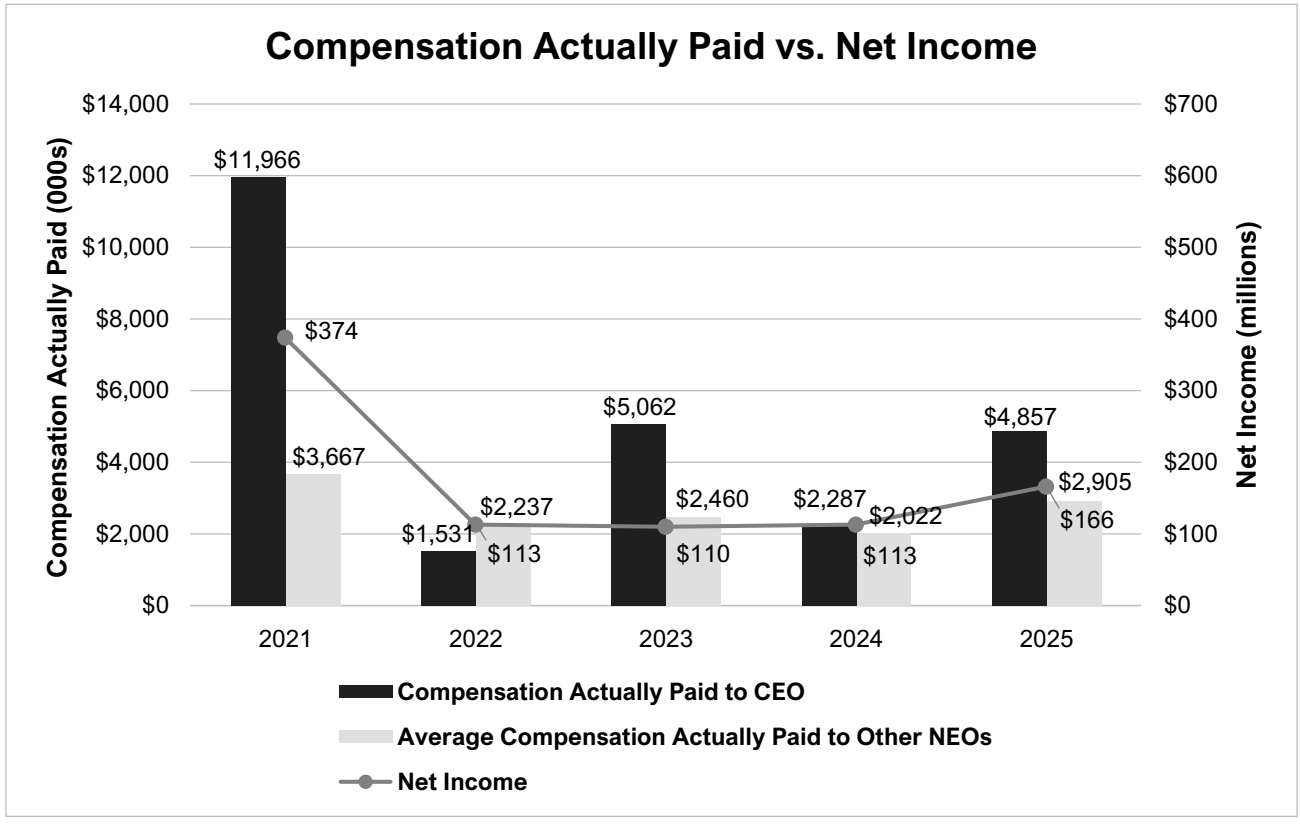
- Total Shareholder Return ("TSR")
- Basic Earnings Per Share ("EPS")
- Net Income

Description of the Relationship Between Compensation Actually Paid to our Named Executive Officers and Company Performance

The charts below describe the relationship between compensation actually paid to our Chief Executive Officer and the average of the compensation actually paid to our other NEOs (as calculated above) and our financial and stock performance for the indicated years. In addition, the first chart below compares our cumulative TSR and peer group cumulative TSR for the indicated years.




Compensation Actually Paid vs. EPS
Compensation Actually Paid (000s)
EPS
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
$7.00
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
$11,966
$4.64
$3,667
$1.61
$1,531
$2,237
$5,062
$1.69
$2,460
$1.74
$2,287
$2,022
$4,857
$2.64
$2,905
2021
2022
2023
2024
2025
Compensation Actually Paid to CEO
Average Compensation Actually Paid to Other NEOs
Company EPS


Compensation Actually Paid vs. Net Income
Compensation Actually Paid (000s)
Net Income (millions)
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
$700
$600
$500
$400
$300
$200
$100
$0
$11,966
$374
$3,667
$2,237
$1,531
$113
$5,062
$2,460
$110
$2,287
$2,022
$113
$4,857
$2,905
$166
2021
2022
2023
2024
2025
Compensation Actually Paid to CEO
Average Compensation Actually Paid to Other NEOs
Net Income

CEO PAY RATIO

Item 402(u) of Regulation S-K, implementing a requirement of the Dodd-Frank Wall Street Reform and Consumer Protection Act, requires that we disclose a ratio that compares the annual total compensation of our median employee to that of our CEO.

In order to determine the median employee, we prepared a list of all employees as of December 31, 2025, along with their gross income as reported on IRS form W-2 for 2025. We included all employees, whether employed on a full-time, part-time, or seasonal basis. Gross income as reported on IRS form W-2 for 2025 was annualized for those employees that were permanent employees but were not employed for the full year. No assumptions, adjustments or estimates were made with respect to total compensation. We believe that W-2 income is a consistently applied compensation measure because we do not widely distribute annual equity awards to employees.

The annual compensation for 2025 for Jeremy B. Ford, who served as our President and Chief Executive Officer, was $3,181,480. The annual compensation for the median employee for 2025 was $81,523. The resulting ratio of Mr. Jeremy B. Ford's pay to that of our median employee for 2025 was 39:1.

We believe executive pay must be internally consistent and equitable to motivate our employees to create stockholder value. We are committed to internal pay equity, and the Compensation Committee monitors the relationship between the pay our executive officers receive and the pay our non-managerial employees receive.

EQUITY AWARD TIMING

In the ordinary course of our compensation cycle for our NEOs, we make RSU awards in the first calendar quarter after financial results for the preceding year have been released. The Compensation Committee did not take material nonpublic information into account when determining the timing and terms of equity awards in 2025, and the Company does not time the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During fiscal year 2025, directors Rhodes R. Bobbitt, W. Robert Nichols, III and Robert Taylor and former director A. Haag Sherman served on the Compensation Committee. During fiscal year 2025:

- none of the members of our Compensation Committee is, or has ever been, one of our officers or employees;
- none of the members of our Compensation Committee had any relationships with the Company requiring disclosure under "Certain Relationships and Related Party Transactions";
- none of our executive officers served as a member of the compensation committee of another entity, one of whose executive officers served on our Compensation Committee;
- none of our executive officers served as a director of another entity, one of whose executive officers served on our Compensation Committee; and
- Mr. Jeremy B. Ford served as Chairman of the Board and a member of the Compensation Committee at First Acceptance Corporation. Mr. Prestidge was appointed to Compensation Committee of First Acceptance Corporation in March 2026. Mr. Russell serves as a director of Hilltop and until November

2021, served as Chief Executive Officer of First Acceptance Corporation. Mr. Russell became the Chief Executive Officer at First Acceptance Corporation in October 2022. Neither Messrs. Jeremy B. Ford, Prestidge nor Russell serve on the Compensation Committee at Hilltop, which approves compensation of Hilltop's executive officers. First Acceptance Corporation is not a reporting company under the Exchange Act.

During 2025, Mr. Jeremy B. Ford, Hilltop's President and Chief Executive Officer, served as a director of Hilltop. On April 24, 2025, Mr. Jeremy B. Ford was appointed Chairman of the Board of Directors of Hilltop. The Board of Directors also appointed a lead independent director of the Board of Directors in connection with Mr. Jeremy B. Ford's appointment as Chairman. Hilltop's Compensation Committee is comprised of independent directors, reviews and sets the compensation of Mr. Jeremy B. Ford and does not believe that this interlock pose any risks that are likely to have a material adverse effect on us.

DELINQUENT SECTION 16(A) REPORTS

Section 16(a) of the Exchange Act requires officers, directors and persons who beneficially own more than ten percent of our stock to file initial reports of ownership and reports of changes in ownership with the SEC.

Based solely on a review of the reports filed with the SEC and representations from our officers and directors, we believe that all Section 16(a) filing requirements for the year ended December 31, 2025, applicable to our officers, directors and greater than ten percent beneficial owners were timely satisfied, except that Mr. Thompson, President and Chief Executive Officer of PrimeLending, failed to file a Form 3 and Forms 4 related to the grant and vesting of equity awards and shares acquired pursuant to both the reinvestment of dividends and the Employee Stock Purchase Plan. The Form 3 and all required Forms 4 were filed for Mr. Thompson in September 2025. Messrs. Bornemann, Furr and Parmenter filed late Forms 4 with respect to purchases under the ESPP. Additionally, Messrs. Gerald J. Ford, Prestidge and Winges filed two late Forms 4 related to dividend reinvestments. Further, Mr. Feinberg filed a Form 4 late with respect to a gift of Company stock and Mr. Russell filed a late Form 4 with respect to director compensation.

Based on written representations from our officers and directors, we believe that no Forms 5 for directors, officers and greater than ten percent beneficial owners were required to be filed with the SEC for the period ended December 31, 2025.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

GENERAL

Transactions with related persons are governed by our General Code of Ethics and Business Conduct, which applies to all officers, directors and employees. This code covers a wide range of potential activities, including, among others, conflicts of interest, self-dealing and related party transactions. Related party transactions that are required to be disclosed pursuant to federal securities laws must be reported to the Chief Executive Officer or General Counsel and are subject to approval by the Audit Committee of the Board of Directors. Waiver of the policies set forth in this code will only be permitted when circumstances warrant. Such waivers for directors and executive officers, or that provide a benefit to a director or executive officer, may be made only by the Board of Directors and must be promptly disclosed as required by applicable law or regulation. Absent a review and approval process in conformity with the applicable guidelines relating to the particular transaction under consideration, such arrangements are not permitted.

The Company also has adopted the written Related Party Policy, which sets forth the Company's policies and procedures for reviewing and approving transactions with related persons — namely, our directors, executive officers, their respective immediate family members and 5% stockholders. The transactions covered by the Related Party Policy include any financial transaction, arrangement or relationship in which the Company is a participant, the related person has or will have a direct or indirect material interest, and the aggregate amount involved will or may be expected to exceed $120,000 in any fiscal year.

After becoming aware of any transaction which may be subject to the Related Party Policy, the related person is required to report all relevant facts with respect to the transaction to the Chief Executive Officer or General Counsel of Hilltop. Upon determination by the Company's legal department that a transaction requires review under the Related Party Policy, the material facts of the transaction and the related person's interest in the transaction are provided to the Audit Committee. The transaction is then reviewed by the disinterested members of the Audit Committee, who determine whether approval of the transaction shall be granted. In reviewing a transaction, the Audit Committee considers facts and circumstances that it deems relevant to its determination, such as: management's assessment of the commercial reasonableness of the transaction; the materiality of the related person's direct or indirect interest in the transaction; whether the transaction may involve an actual, or the appearance of, a conflict of interest; and, if the transaction involves a director, the impact of the transaction on the director's independence.

Certain types of transactions are pre-approved in accordance with the terms of the Related Party Policy. These include transactions in the ordinary course of business involving financial products and services provided by, or to, the Company, including loans, provided such transactions are in compliance with Sarbanes-Oxley, Federal Reserve Board Regulation O and other applicable laws and regulations.

HILLTOP PLAZA INVESTMENT

On July 31, 2018, HTH Diamond Hillcrest Land LLC, or Hillcrest Land LLC, purchased approximately 1.7 acres of land in the City of University Park, Texas for $38.5 million. Hillcrest Land LLC is owned equally between Hilltop Investments I, LLC, a wholly owned subsidiary of Hilltop, and Diamond Ground, LLC, an affiliate of Mr. Gerald J. Ford. Each of Hilltop Investments I, LLC and Diamond Ground, LLC contributed $19.3 million to Hillcrest Land LLC to complete the purchase. Trusts for which Jeremy B. Ford and the wife of Corey G. Prestidge are a beneficiary own 10.2% and 10.1%, respectively, of Diamond Ground, LLC.

In connection with the purchase of the land, Hillcrest Land LLC entered into a 99-year ground lease of the land with three tenants-in-common: SPC Park Plaza Partners LLC, or Park Plaza LLC, an unaffiliated entity which received an undivided 50% leasehold interest; HTH Hillcrest Project LLC, or HTH Project LLC, a wholly owned subsidiary of Hilltop, which received an undivided 25% leasehold interest; and Diamond Hillcrest, LLC, or Diamond Hillcrest, an entity controlled by Mr. Gerald J. Ford, which received an undivided 25% leasehold interest, or collectively, the Co-Owners. The ground lease is triple net. The base rent from the Co-Owners under the ground lease commences 18 months after the ground lease was signed at $1.8 million per year and increases 1.0% per year each January 1 thereafter.

Concurrent with the ground lease, the Co-Owners entered into an agreement to purchase the improvements constructed on the land, which is a mixed-use project containing a six-story building, or Hilltop Plaza. HTH Project LLC and Diamond Hillcrest each own an undivided 25% interest in Hilltop Plaza. Park Plaza LLC owns the remaining undivided 50% interest in Hilltop Plaza. Park Plaza LLC has agreed to serve as the Co-Owner property manager under the Co-Owners Agreement; however, certain actions require unanimous approval of all Co-Owners. Hilltop Plaza was funded through a $41.0 million construction loan from an unaffiliated third-party bank, as well as cash contributions of $5.3 million from each of HTH Project LLC and Diamond Hillcrest. The construction loan was refinanced by an unaffiliated third-party bank at December 31, 2021 in amount equal to $48.0 million.

Hilltop and the Bank entered into separate 129-month leases for a significant portion of the total rentable corporate office space in Hilltop Plaza, which serves as the headquarters for both companies. Affiliates of Mr. Gerald J. Ford also entered into leases for office space in the building.

These transactions were reviewed by the Audit Committee and approved by the disinterested members of the Board of Directors of Hilltop.

Gerald J. Ford, former Chairman of the Board of Directors of Hilltop, is the sole member of Diamond HTH Stock Company GP, LLC. Diamond HTH Stock Company GP, LLC is the sole general partner of Diamond HTH Stock Company, LP and Mr. Gerald J. Ford is the sole limited partner of Diamond HTH Stock Company, LP. The sole general partner of Diamond A Financial, L.P. is Diamond HTH Stock Company, LP and Turtle Creek Revocable Trust is a 1% limited partner of Diamond A Financial, L.P. Diamond A Financial, L.P. owns 26.6% of the outstanding Hilltop common stock as of April 27, 2026. Jeremy B. Ford, Chairman, President and Chief Executive Officer of Hilltop, is the beneficiary of a trust that owns a 49% limited partnership interest in Diamond A Financial, L.P. The spouse of Corey G. Prestidge, Hilltop’s Executive Vice President, General Counsel and Secretary, is the beneficiary of a trust that also owns a 49% limited partnership interest in Diamond A Financial, L.P.

Jeremy B. Ford is the son of Gerald J. Ford. Mr. Prestidge is the son-in-law of Gerald J. Ford. Accordingly, Messrs. Jeremy B. Ford and Prestidge are brothers-in-law.

COWBOYS STADIUM SUITE

In 2007, the Bank contracted with Cowboys Stadium, L.P., a company affiliated with the employer of former director Ms. Jones and that is beneficially owned by Ms. Jones and certain of her immediate family members, for the 20-year lease of a suite at Cowboys Stadium beginning in 2009. Pursuant to the lease agreement, Hilltop has agreed to pay Cowboys Stadium, L.P. annual payments of $500,000, subject to possible annual escalations, not to exceed 3% per year, beginning with the tenth year of the lease. In 2019, that lease of suite was assigned to Hilltop by the Bank. Hilltop paid approximately $615,000 under this lease in 2025.

LEASES AT THE STAR

In 2016, the Bank contracted with Frisco HQ Operations, L.P. and Bluestar Frisco Retail L.P., each of which is affiliated with the employer of Ms. Jones and beneficially owned by former director Ms. Jones and certain of her immediate family members, for the separate leases of office space and a Bank branch through January 2028 and May 2028, respectively. Following an initial rent abatement period, the leases provide for annual base rent of an aggregate of approximately $383,000, which increases on a yearly basis thereafter to a maximum annual base rent of an aggregate of approximately $433,000.

DTF HOLDINGS, LLC

Mr. Sobel, a director of Hilltop, is the managing member of DTF Holdings, LLC. DTF Holdings, LLC has provided investment management services to the Company and its subsidiaries since June 2009 pursuant to an Investment Management Services Agreement. In accordance with the Investment Management Services Agreement, DTF Holdings, LLC was paid an annual fee of $425,000 and reimbursed for its out-of-pocket expenses related to such services. The Investment Management Services Agreement was terminated on June 30, 2020 in connection with sale of National Lloyds Corporation. Mr. Sobel became Chairman of Hilltop Securities in July 2019. Beginning in July 2020, Hilltop Securities pays Mr. Sobel annual fees of $425,000 for his services as Chairman of Hilltop Securities. DTF Holdings, LLC also provides investment management services to other entities related to Gerald J. Ford.

INDEBTEDNESS

The Bank has had, and may be expected to have in the future, lending relationships in the ordinary course of business with our directors and executive officers, members of their immediate families and affiliated companies in which they are employed or in which they are principal equity holders. In our management’s opinion, our prior or current lending relationships with these persons were made in the ordinary course of business and on substantially the same terms, including interest rates, collateral and repayment terms, as those prevailing at the time for comparable transactions with persons not related to us and do not involve more than normal collection risk or present other unfavorable features.

PROPOSAL TWO —

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

Pursuant to Section 14A(a)(1) of the Exchange Act, we are asking stockholders to cast an advisory vote on the compensation of our named executive officers disclosed in "Executive Compensation — Compensation Discussion and Analysis" and "Executive Compensation — NEO Compensation" sections of this Proxy Statement. At our 2023 annual meeting of stockholders, our stockholders voted in favor of a proposal to hold an advisory vote on executive compensation each year. While this vote is a non-binding advisory vote, we value the opinions of stockholders and will consider the outcome of the vote when making future compensation decisions. We anticipate that the next advisory vote to determine the frequency of future advisory votes on executive compensation will be conducted at the 2029 annual meeting of stockholders.

We believe that our executive compensation programs effectively align the interests of our named executive officers with those of our stockholders by tying compensation to performance.

This annual vote on this matter is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the policies and practices described in this Proxy Statement. The vote is advisory and, therefore, not binding on the Company, the Board of Directors or the Compensation Committee of the Board of Directors.

We are asking our stockholders to indicate their support for this Proposal Two and the compensation paid to our named executive officers as disclosed commencing on page 29 of this Proxy Statement by voting **FOR**, on a non-binding advisory basis, the following resolution:

> "NOW, THEREFORE, BE IT RESOLVED, that the stockholders approve, on an advisory basis, the compensation paid to the named executive officers of the Company, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the compensation tables and the narrative discussion related thereto."

VOTE NECESSARY TO APPROVE, ON A NON-BINDING ADVISORY BASIS, EXECUTIVE COMPENSATION

The affirmative vote of a majority of the votes cast on the matter is required to approve, on a non-binding advisory basis, our executive compensation. The Compensation Committee of the Board of Directors will review the results of this matter and will take the results into account in making future determinations concerning executive compensation. For purposes of the non-binding advisory vote on executive compensation, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for purposes of determining a quorum.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

PROPOSAL THREE —

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP served as our independent registered public accounting firm during 2025 and has been selected to serve in that capacity for 2026, unless the Audit Committee of the Board of Directors subsequently determines that a change is desirable. While stockholder ratification is not required for the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm, the selection is being submitted for ratification at the Annual Meeting, solely with a view toward soliciting our stockholders' opinion. This opinion will be taken into consideration by the Audit Committee in its future deliberations.

A representative of PricewaterhouseCoopers LLP is expected to be at our Annual Meeting to respond to appropriate questions and, if PricewaterhouseCoopers LLP desires, to make a statement.

VOTE NECESSARY TO RATIFY THE APPOINTMENT

The appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026 will be ratified if this proposal receives the affirmative vote of a majority of the votes cast on the matter. With respect to this proposal, abstentions will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for purposes of determining a quorum. Under applicable rules, a broker will have the authority to vote on this proposal in the absence of instructions from the beneficial owner of the relevant shares and therefore, we do not expect any broker non-votes on this proposal.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Board of Directors of Hilltop Holdings Inc. currently consists of three directors and operates under a written charter adopted by the Board of Directors. Hilltop considers all members of the Audit Committee to be independent as defined by the applicable NYSE listing standards and SEC regulations. Management is responsible for Hilltop's internal controls and the financial reporting process. PricewaterhouseCoopers LLP, Hilltop's independent registered public accounting firm, is responsible for performing an independent audit of Hilltop's consolidated financial statements in accordance with generally accepted auditing standards. The Audit Committee's responsibility is to monitor and oversee the financial reporting process.

In this context, the Audit Committee reviewed and discussed with management and PricewaterhouseCoopers LLP the audited financial statements for the year ended December 31, 2025, management's assessment of the effectiveness of the Company's internal control over financial reporting and PricewaterhouseCoopers LLP's evaluation of the Company's internal control over financial reporting. The Audit Committee has discussed with PricewaterhouseCoopers LLP the matters that are required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC.

The Audit Committee received from PricewaterhouseCoopers LLP the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board, and has discussed with PricewaterhouseCoopers LLP the issue of its independence from the Company. The Audit Committee also concluded

that PricewaterhouseCoopers LLP's provision of audit and non-audit services to the Company and its affiliates is compatible with PricewaterhouseCoopers LLP's independence.

Based upon the Audit Committee's review of the audited consolidated financial statements and its discussion with management and PricewaterhouseCoopers LLP noted above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

This report has been furnished by the members of the Audit Committee.

Tom Nichols (Chairman) Robert Nichols J. Taylor Crandall

INDEPENDENT AUDITOR'S FEES

For the fiscal years ended December 31, 2025 and 2024, the total fees billed to us by our independent registered public accounting firm, PricewaterhouseCoopers LLP, were as follows:

	Fiscal Year Ended	
	2025	2024
Audit Fees	$ 6,403,000	$ 4,979,500
Audit-Related Fees	433,000	320,500
Tax Fees	—	—
All Other Fees	2,000	2,000
Total	**$ 6,838,000**	**$ 5,302,000**

Audit Fees

Represents fees billed for the audits of our consolidated financial statements and effectiveness of internal control over financial reporting as of and for the years ended December 31, 2025 and 2024, reviews of our interim financial statements included in the Company's Quarterly Reports on Form 10-Q, audits and related services required for certain of our subsidiaries, and other miscellaneous SEC and financial reporting matters.

Audit-Related Fees

In 2025 and 2024 these fees primarily related to procedures associated with recently issued accounting standards and attestation reports required under various services agreements and statutory and regulatory requirements.

Tax Fees

No tax fees were incurred during 2025 or 2024.

All Other Fees

In 2025 and 2024, these fees related to an annual renewal of software licenses for accounting research software.

Audit Committee Pre-Approval Policy

In accordance with applicable laws and regulations, the Audit Committee reviews and pre-approves any non-audit services to be performed by PricewaterhouseCoopers LLP to ensure that the work does not compromise its independence in performing its audit services. The Audit Committee also reviews and pre-approves all audit services. In some cases, pre-approval is provided by the full committee for up to a year, and relates to a particular category or group of services and is subject to a specific budget. In other cases, the Chairman of the Audit Committee has the delegated authority from the committee to pre-approve additional services, and such pre-approvals are then communicated to the full Audit Committee. The Audit Committee pre-approved all fees noted above for 2025 and 2024.

The pre-approval policy contains a de minimis provision that operates to provide retroactive approval for permissible non-audit services under certain circumstances. No services were provided by PricewaterhouseCoopers LLP during either 2025 or 2024 that fell under this provision.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2026.

STOCKHOLDER PROPOSALS FOR 2027

Stockholder proposals intended to be presented at our 2027 Annual Meeting of Stockholders pursuant to Rule 14a-8 under the Exchange Act must be received by us at our principal executive offices no later than 5:00 p.m., Dallas, Texas local time, on January 29, 2027 and must otherwise comply with the requirements of Rule 14a-8 in order to be considered for inclusion in the 2027 Proxy Statement and proxy. However, pursuant to such rule, if the 2027 Annual Meeting is not held within 30 days of July 23, 2027, then a stockholder proposal submitted for inclusion in our Proxy Statement for the 2027 Annual Meeting must be received by us a reasonable time before we begin to print and mail our Proxy Statement for the 2027 Annual Meeting.

In order for director nominations and proposals of stockholders made outside the processes of Rule 14a-8 under the Exchange Act to be considered "timely" for purposes of Rule 14a-4(c) under the Exchange Act and pursuant to our current bylaws, the nomination or proposal must be received by us at our principal executive offices not before December 31, 2026 and not later than 5:00 p.m. Dallas, Texas local time, on January 30, 2027; provided, however, that in the event that the date of the 2027 annual meeting is advanced by more than 30 days or delayed by more than 60 days from July 23, 2027, notice by the stockholder in order to be timely must be received no earlier than the 120th day prior to the date of the 2027 annual meeting and not later than 5:00 p.m. Dallas, Texas local time, on the later of the 90th day prior to the date of the 2027 annual meeting or, if the first public announcement of the 2027 Annual Meeting is less than 100 days prior to the date of the 2027 Annual Meeting, the 10th day following the day on which public announcement of the date of the 2027 annual meeting is first made. Stockholders are advised to review our charter and bylaws, which contain additional requirements with respect to advance notice of stockholder proposals and director nominations, copies of which are available without charge upon request to our corporate Secretary at the address listed within the section titled "Additional Information — Who can help answer my questions?"

To comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than Hilltop's nominees must provide notice to the Company that sets forth the information required by Rule 14a-19 under the Exchange Act no later than May 24, 2027, or if the date of the meeting has changed by more than 30 calendar days from the previous year, then notice must be provided by the later of 60 calendar days prior to the date of the annual meeting or the 10th calendar day following the day on which public announcement of the date of the annual meeting is first made by the registrant.

OTHER MATTERS

Our Board of Directors knows of no other matters that have been submitted for consideration at this Annual Meeting. If any other matters properly come before our stockholders at this Annual Meeting, the persons named on the enclosed proxy card intend to vote the shares they represent in their discretion.

MULTIPLE STOCKHOLDERS SHARING ONE ADDRESS

In accordance with Rule 14a-3(e)(1) under the Exchange Act, one set of proxy materials will be delivered to two or more stockholders who share an address, unless the Company has received contrary instructions from one or more of the stockholders. The Company will deliver promptly upon written or oral request a separate copy of the proxy materials to a stockholder at a shared address to which a single copy of the proxy materials was delivered. Requests for additional copies of the proxy materials, and requests that in the future separate proxy materials be sent to stockholders who share an address, should be directed by writing to Investor Relations, Hilltop Holdings Inc., 6565 Hillcrest Avenue, Dallas, Texas 75205, or by calling (214) 855-2177. In addition, stockholders who share a single address but receive multiple copies of the proxy materials may request that in the future they receive a single copy by contacting the Company at the address and phone number set forth in the prior sentence.

ANNUAL REPORT

A COPY OF OUR ANNUAL REPORT IS INCLUDED WITH THIS PROXY STATEMENT BUT SHALL NOT BE DEEMED TO BE SOLICITATION MATERIAL. A COPY OF THIS PROXY STATEMENT AND OUR ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025 ALSO IS AVAILABLE WITHOUT CHARGE FROM OUR COMPANY WEBSITE AT WWW.HILLTOP.COM OR UPON WRITTEN REQUEST TO: INVESTOR RELATIONS, HILLTOP HOLDINGS INC., 6565 HILLCREST AVENUE, DALLAS, TEXAS 75205.

ADDITIONAL INFORMATION

Why am I receiving these proxy materials?

The Board of Directors of Hilltop, or the Board of Directors, has made these materials available to you on the Internet or has delivered printed versions of these materials to you by mail in connection with the Board of Directors' solicitation of proxies for use at our 2026 Annual Meeting of Stockholders, or the Annual Meeting, which will take place virtually at 10:00 a.m. (Dallas, Texas local time) on Thursday, July 23, 2026, at www.virtualshareholdermeeting.com/HTH2026. This Proxy Statement describes matters on which you, as a stockholder, are entitled to vote. This Proxy Statement also gives you information on these matters so that you can make an informed decision with respect to your vote.

Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of printed proxy materials?

In accordance with rules promulgated by the Securities and Exchange Commission, or the SEC, instead of mailing a printed copy of our proxy materials to all of our stockholders, we have elected to furnish such materials to selected stockholders by providing access to these documents over the Internet. Accordingly, on or about May 29, 2026, we will provide a Notice of Internet Availability of Proxy Materials, or the Notice, to selected stockholders of record and beneficial owners. These stockholders will have the ability to access the proxy materials on a website referred to in the Notice or to request to receive a printed set of the proxy materials by calling the toll-free number found on the Notice. We encourage you to take advantage of the availability of the proxy materials on the Internet in order to help reduce the environmental impact of the printing and distribution of our proxy materials.

How can I get electronic access to the proxy materials?

The Notice provides you with instructions regarding how to:

- view our proxy materials for the Annual Meeting on the Internet;
- vote your shares after you have viewed our proxy materials;
- register to attend the meeting virtually;
- request a printed copy of the proxy materials; and
- instruct us to send our future proxy materials to you electronically by email.

Copies of the proxy materials are available for viewing at www.proxyvote.com.

You may have received proxy materials by email. Even if you received a printed copy of our proxy materials, you may choose to receive future proxy materials by email. Choosing to receive your future proxy materials by email will lower our costs of delivery and will reduce the environmental impact of printing and distributing our proxy materials. If you choose to receive our future proxy materials by email, you will receive an email next year with instructions containing a link to view those proxy materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it or for so long as the email address provided by you is valid.

What am I voting on?

At the Annual Meeting, stockholders will be asked to:

- Elect thirteen directors to serve on our Board of Directors until the 2027 annual meeting of stockholders or until their successors are duly elected and qualified;
- Conduct a non-binding advisory vote to approve executive compensation;
- Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026; and
- Transact any other business that may properly come before the Annual Meeting and any adjournments or postponements of the Annual Meeting.

Who is entitled to vote?

Holders of record of our common stock at the close of business on April 27, 2026 are entitled to receive notice of and vote at the Annual Meeting. With respect to each matter presented, a stockholder is entitled to cast one vote for each share of common stock owned at the close of business on April 27, 2026. Our stockholders are not entitled to cumulative voting rights, and dissenters' rights are not applicable to the matters being voted upon.

How do I vote?

If you are a stockholder of record, there are four ways to vote:

- *Virtually.* Virtually attend the annual meeting as an authenticated shareholder and cast your vote online during the virtual meeting.
- *Via the Internet.* You may vote by proxy via the Internet by visiting www.proxyvote.com. Have your proxy card or Notice in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.
- *Via Telephone.* If you received or requested printed copies of the proxy materials by mail, you may vote by proxy by calling the toll-free number found on the proxy card.
- *Via Mail.* If you received or requested printed copies of the proxy materials by mail, you may vote by proxy by marking, signing and dating the proxy card and sending it back in the envelope provided.

If you are the beneficial owner of shares held by a broker or other nominee, you may instruct your broker or nominee to vote your shares by following the instructions that the broker or nominee provides to you. NYSE rules prohibit your broker from voting for the election of directors and the approval of executive compensation on your behalf without specific voting instructions from you. Many brokers allow stockholders to provide voting instructions by mail, telephone and the Internet.

How do proxies work?

Our Board of Directors is asking for your proxy. Giving your proxy to the persons named by us means you authorize them to vote your shares at the Annual Meeting in the manner you direct. You may vote for all of our director candidates or withhold your vote as to one or more director candidates, and you may vote for or against, or abstain from voting on, executive compensation and the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026.

If you are a stockholder of record and (a) you indicate when voting on the Internet or by telephone that you wish to vote as recommended by our Board of Directors or (b) you sign and return the enclosed proxy card but do not specify how your shares are to be voted, your shares will be voted **FOR** the election of all of our director candidates **FOR** the approval, on a non-binding advisory basis, of our executive compensation, and **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026.

If you are the beneficial owner of shares held by a broker or other nominee, also referred to as held in "street name," and you do not provide such broker or nominee with specific voting instructions, under the rules promulgated by the NYSE, the broker or nominee that holds your shares may generally vote on "routine" matters at its discretion, but

cannot vote on "non-routine" matters. If the broker or nominee that holds your shares does not receive instructions from you on how to vote your shares on a "non-routine" matter, that broker or nominee will inform the inspector of election that it does not have the authority to vote on such matters with respect to your shares, which is generally referred to as a "broker non-vote."

You may receive more than one proxy or voting card depending on how you hold your shares. Shares registered in your name are covered by one card. If you also hold shares through a broker or other nominee, you also may receive materials from them asking how you want those shares voted. To be sure that all of your shares are voted, we encourage you to respond to each request you receive.

Which matters are considered "routine" or "non-routine"?

The ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026 is considered a "routine" matter under applicable NYSE rules. A broker or other nominee may generally vote on routine matters and, therefore, no broker non-votes are expected to exist with respect to this matter. All other matters set forth in this Proxy Statement are matters that we believe will be designated "non-routine" matters. A broker or other nominee cannot vote without instructions on non-routine matters and, therefore, there may be broker non-votes on all matters other than the ratification of the appointment of PricewaterhouseCoopers LLP.

Can I change my vote or revoke my proxy after I have voted?

You may revoke your proxy and change your vote at any time before the final vote at the Annual Meeting (or before any earlier deadline specified in the Notice or the proxy card) by (a) voting again via the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the Annual Meeting will be counted), (b) signing and returning a new proxy card with a later date or creating a new electronic voting instruction form with a later date or (c) attending the Annual Meeting virtually and voting during the meeting. Your virtual attendance at the Annual Meeting, however, will not automatically revoke your proxy unless you vote again at the Annual Meeting or specifically request that your prior proxy be revoked by delivering, prior to the Annual Meeting, a written notice of revocation to the corporate Secretary at the address listed within the "Who can help answer my questions?" subsection below.

Will my shares be voted if I do not sign a proxy?

If you hold your shares directly in your own name, they will not be voted unless you provide a proxy or attend the Annual Meeting virtually and vote during the meeting. Under certain conditions, shares that you own that are held by a broker or nominee may be voted even if you do not provide voting instructions to the broker or nominee. As discussed above under "Additional Information — How do proxies work?", brokerage firms have the authority under applicable rules to vote on certain "routine" matters, including the ratification of the appointment of auditors.

What constitutes a quorum?

In order to carry on the business of the Annual Meeting, a quorum must be present. The presence in person (or by remote communication, if applicable) or by proxy of holders entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting shall constitute a quorum for the transaction of business at the Annual Meeting. Any shares that we hold for our own benefit may not be voted and are not counted in the total number of outstanding shares eligible to be voted. Both abstentions and broker non-votes (described above) are counted as present for purposes of

determining the presence of a quorum. As of April 27, 2026, we had 58,530,197 shares of common stock outstanding and entitled to vote at the meeting.

How many votes are needed for approval?

Election of Directors

A plurality of all the votes cast at the Annual Meeting is required to elect a director. The thirteen director candidates receiving the highest number of affirmative votes, or a plurality, will be elected as directors. For purposes of the election of directors, withheld votes and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for purposes of determining a quorum. Stockholders may not cumulate votes in the election of directors.

Advisory Vote to Approve Executive Compensation

The affirmative vote of a majority of the votes cast on the matter is required to approve, on a non-binding advisory basis, our executive compensation. The Compensation Committee of the Board of Directors will review the results of this advisory vote and will take the results into account in making future determinations concerning executive compensation. For purposes of the advisory vote on executive compensation, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for purposes of determining a quorum.

Ratification of Independent Registered Public Accounting Firm

The appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2026 will be ratified if this proposal receives the affirmative vote of a majority of the votes cast on the matter. Brokers have the authority to vote on this proposal in the absence of contrary instructions from a beneficial owner. If this appointment is not ratified by our stockholders, the Audit Committee may reconsider its selection of PricewaterhouseCoopers LLP. With respect to this proposal, abstentions will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for purposes of determining a quorum. Because it is a routine matter, we do not expect any broker non-votes with respect to this proposal.

Who conducts the proxy solicitation?

Our Board of Directors is soliciting the proxies, and we will bear all costs of this solicitation, including the preparation, assembly, printing and mailing of this Proxy Statement and the Notice. Copies of proxy materials will be furnished to banks, brokerage houses and other agents and nominees holding shares in their names that are beneficially owned by others so that they may forward the proxy materials to those beneficial owners. In addition, if asked, we will reimburse these persons for their reasonable expenses in forwarding the proxy materials to the beneficial owners. We have requested banks, brokerage houses and other custodians, nominees and fiduciaries to forward all proxy materials to the beneficial owners of the shares that they hold of record. Certain of our officers and employees also may solicit proxies on our behalf by mail, email, phone or fax or in person.

How can I virtually attend the Annual Meeting?

Virtual attendance at the Annual Meeting will be limited to stockholders of record at the close of business on April 27, 2026 (or their authorized representatives). The Annual Meeting will be a virtual-only meeting conducted exclusively via

live webcast. There will not be a physical location for the meeting, and you will not be able to attend the meeting in person. Shareholders will need to use the 16-digit control number on their notice of internet availability, proxy card or voting instruction form in order to log into www.virtualshareholdermeeting.com/HTH2026.

We encourage you to access the Annual Meeting prior to the start time. Please allow ample time for online check-in, which will begin at 9:45 a.m. Central Daylight Time on July 23, 2026. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted on the virtual shareholder meeting log-in page. Please note that if you do not have your control number and you are a registered owner, operators will be able to provide your control number to you. However, if you are a beneficial owner (and thus hold your shares in an account at a bank, broker or other holder of record), you will need to contact that bank, broker or other holder of record to obtain your control number prior to the Annual Meeting.

How Can I Vote During the Meeting?

Shareholders should follow the instructions at www.virtualshareholdermeeting.com/HTH2026 to vote during the Annual Meeting. Voting online during the meeting will replace any previous votes you submitted via telephone, internet or mail prior to the meeting.

Who can help answer my questions?

If you have questions or need more information about the Annual Meeting, you may contact the corporate Secretary at our principal executive office:

Corporate Secretary
Hilltop Holdings Inc.
6565 Hillcrest Avenue
Dallas, Texas 75205
Phone: 214.855.2177

We also invite you to visit our website at www.hilltop.com

Annex A

Reconciliation of Tangible Common Equity and Tangible Book Value Per Share

($ '000, except per share amounts)	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
Total Stockholders' Equity	$ 2,122,967	$ 2,131,864	$ 2,134,469	$ 2,177,096	$ 2,189,965	$ 2,199,712	$ 2,198,642	$ 2,188,542	$ 2,168,401
Less:									
Goodwill	267,447	267,447	267,447	267,447	267,447	267,447	267,447	267,447	267,447
Other intangible assets, net	8,457	7,943	7,429	6,995	6,633	6,376	6,119	5,862	5,605
Tangible Common Equity	**$ 1,847,063**	**$ 1,856,474**	**$ 1,859,593**	**$ 1,902,654**	**$ 1,915,885**	**$ 1,925,889**	**$ 1,925,076**	**$ 1,915,233**	**$ 1,895,349**
Shares outstanding as of period end	65,153	65,267	64,953	64,960	64,968	64,154	63,001	61,326	59,540
Book Value Per Share (Common Stockholders' Equity / Shares Outstanding)	$ 32.58	$ 32.66	$ 32.86	$ 33.51	$ 33.71	$ 34.29	$ 34.90	$ 35.69	$ 36.42
Tangible Book Value Per Share (Tangible Common Equity / Shares Outstanding)	**$ 28.35**	**$ 28.44**	**$ 28.63**	**$ 29.29**	**$ 29.49**	**$ 30.02**	**$ 30.56**	**$ 31.23**	**$ 31.83**

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

FORM 10-K

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

For the fiscal year ended: December 31, 2025

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

For the transition period from to

Commission file number: 1-31987

Hilltop Holdings Inc.

(Exact name of registrant as specified in its charter)

Maryland	**84-1477939**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6565 Hillcrest Avenue Dallas, TX	**75205**
(Address of principal executive offices)	(Zip Code)

(214) 855-2177
(Registrant's telephone number, including area code)

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, par value $0.01 per share	HTH	New York Stock Exchange NYSE Texas

Securities registered pursuant to Section 12(g) of the Act: **None**

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
☑ Yes ☐ No

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

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

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

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

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

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

Aggregate market value of the voting and non-voting common equity held by non-affiliates, computed by reference to the price at which the common stock was last sold on the New York Stock Exchange on June 30, 2025, was approximately $1.25 billion. For the purposes of this computation, all officers, directors and 10% stockholders are considered affiliates. The number of shares of the registrant's common stock outstanding at February 12, 2026 was 59,449,557.

DOCUMENTS INCORPORATED BY REFERENCE

The Registrant's definitive Proxy Statement pertaining to the 2026 Annual Meeting of Stockholders, filed or to be filed not later than 120 days after the end of the fiscal year pursuant to Regulation 14A, is incorporated herein by reference into Part III.

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MARKET AND INDUSTRY DATA AND FORECASTS

Market and industry data and other statistical information and forecasts used throughout this Annual Report on Form 10-K (this "Annual Report") are based on independent industry publications, government publications and reports by market research firms or other published independent sources. We have not sought or obtained the approval or endorsement of the use of this third-party information. Some data also is based on our good faith estimates, which are derived from our review of internal surveys, as well as independent sources. Forecasts are particularly likely to be inaccurate, especially over long periods of time.

Unless the context otherwise indicates, all references in this Annual Report to the "Company," "we," "us," "our" or "ours" or similar words are to Hilltop Holdings Inc. and its direct and indirect wholly owned subsidiaries, references to "Hilltop" refer solely to Hilltop Holdings Inc., references to "PCC" refer to PlainsCapital Corporation (a wholly owned subsidiary of Hilltop), references to "Securities Holdings" refer to Hilltop Securities Holdings LLC (a wholly owned subsidiary of Hilltop), references to "Hilltop Securities" refer to Hilltop Securities Inc. (a wholly owned subsidiary of Securities Holdings), references to "Momentum Independent Network" refer to Momentum Independent Network Inc. (a wholly owned subsidiary of Securities Holdings, Hilltop Securities and Momentum Independent Network are collectively referred to as the "Hilltop Broker-Dealers"), references to the "Bank" refer to PlainsCapital Bank (a wholly owned subsidiary of PCC), references to "FNB" refer to First National Bank, references to "SWS" refer to the former SWS Group, Inc., references to "PrimeLending" refer to PrimeLending, a PlainsCapital Company (a wholly owned subsidiary of the Bank) and its subsidiaries as a whole.

FORWARD-LOOKING STATEMENTS

This Annual Report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as amended by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this Annual Report that address results or developments that we expect or anticipate will or may occur in the future, and statements that are preceded by, followed by or include, words such as "anticipates," "believes," "could," "estimates," "expects," "forecasts," "goal," "intends," "may," "might," "plan," "probable," "projects," "seeks," "should," "target," "view" or "would" or the negative of these words and phrases or similar words or phrases, including statements related to our objectives and business strategy, expectations concerning our financial condition, our revenue, the sufficiency of our liquidity and sources of funding, assumptions with relating to market trends, operations and business, taxes, information technology expenses, the impact of cybersecurity incidents, capital levels, mortgage servicing rights ("MSR") assets, stock repurchases, dividend payments, expectations concerning mortgage loan origination volume, servicer advances and interest rate compression, expected levels of refinancing as a percentage of total loan origination volume, projected losses on mortgage loans originated, total expenses, the effects of government regulation applicable to our operations, the impact of macroeconomic conditions, the appropriateness of, and changes in, our allowance for credit losses and provision for (reversal of) credit losses, expected future benchmarks rates, anticipated investment yields, our expectations regarding accretion of discount on loans in future periods, the collectability of loans, and the outcome of litigation are forward-looking statements.

These forward-looking statements are based on our beliefs, assumptions and expectations of our future performance taking into account all information currently available to us at the time of this Annual Report. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us, including the risks and uncertainties identified in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations and Part I, Item 1A. "Risk Factors" in this Annual Report and in our other filings with the SEC. If any of these events or risks or uncertainties occur, our business, business plan, financial condition, liquidity and results of operations may vary materially from those results expressed in our forward-looking statements. All subsequent written and oral forward-looking statements concerning our business attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements above. We do not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this Annual Report except to the extent required by law.

RISK FACTOR SUMMARY

The following is a summary of material risks we are exposed to in the course of our business activities and which could have an adverse effect on our business or consolidated results of operations or financial condition. We caution that the following list of factors is not exhaustive, and new factors may emerge, or changes to the foregoing factors may occur, that could impact our business. This summary does not contain all of the information that may be important to you and should be read together with the more detailed discussion of risks within Item 1A, "Risk Factors," and Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," herein.

Risks Related to our Business

- Our allowances for credit losses for loans and debt securities may prove inadequate, or we may be negatively affected by credit risk exposures. Also, future additions to our allowance for credit losses will reduce our future earnings.
- Adverse developments affecting the financial services industry, such as bank failures or concerns involving liquidity, may have a material effect on the Company's operations.
- Our operational systems and networks have been, and will continue to be, subject to an increasing risk of continually evolving cybersecurity or other technological risks, which could result in a loss of customer business, financial liability, regulatory penalties, damage to our reputation or the disclosure of confidential information.
- Our banking segment is subject to risk arising from conditions in the commercial real estate market and may be adversely affected by weaknesses in the commercial real estate market.
- Our business and results of operations may be adversely affected by unpredictable economic, market and business conditions.
- Our business is subject to interest rate risk, and fluctuations in interest rates may adversely affect our earnings, capital levels and overall results.
- Inflationary pressures and rising prices may affect our results of operations and financial condition.
- Our mortgage origination business is subject to fluctuations based upon seasonal and other factors and, as a result, our results of operations for any given quarter may not be indicative of the results that may be achieved for the full fiscal year.
- We are heavily reliant on technology, and a failure to effectively implement new technological solutions or enhancements to existing systems or platforms could adversely affect our business operations and the financial results of our operations.
- Our geographic concentration may magnify the adverse effects and consequences of any regional or local economic downturn.
- An adverse change in real estate market values may result in losses in our banking segment and otherwise adversely affect our profitability.
- Our risk management processes may not fully identify and mitigate exposure to the various risks that we face, including interest rate, credit, liquidity and market risk.
- Our hedging strategies may not be successful in mitigating our exposure to interest rate risk.
- Our bank lending, margin lending, stock lending, securities trading and execution and mortgage purchase businesses are all subject to credit risk.
- We depend on our computer and communications systems and an interruption in service would negatively affect our business.
- Climate change and certain regulations and responses thereto could adversely affect our business and performance, including indirectly through impacts on our customers.
- We are heavily dependent on dividends from our subsidiaries.
- Our broker-dealer business is subject to various risks associated with the securities industry.
- Market fluctuations could adversely impact our broker-dealer business.
- Our investment advisory business may be affected if our investment products perform poorly.
- Our existing correspondents may choose to perform their own clearing services or move their clearing business to one of our competitors or exit the business.

- Several of our broker-dealer segment's product lines rely on favorable tax treatment, and changes in federal tax law could impact the attractiveness of these products to our customers.
- Our mortgage origination segment is subject to investment risk on loans that it originates.
- If we fail to develop, implement and maintain an effective system of internal control over financial reporting, the accuracy and timing of our financial reporting in future periods may be adversely affected.
- We ultimately may write-off goodwill and other intangible assets resulting from business combinations.
- The value of our mortgage servicing rights portfolio fluctuates due to changes in interest rates, which may increase the volatility of our earnings.
- The accuracy of our financial statements and related disclosures could be affected if we are exposed to actual conditions different from the judgments, assumptions or estimates used in our critical accounting estimates.
- We are dependent on our management team, and the loss of members of our existing management team or other key employees could impair our relationship with customers and adversely affect our business and financial results.
- We are subject to losses due to fraudulent and negligent acts.
- Negative publicity regarding us, or financial institutions in general, could damage our reputation and adversely impact our business and results of operations.
- We are subject to legal claims and litigation, including potential securities law liabilities, any of which could have a material adverse effect on our business.

Risks Related to Our Indebtedness

- Our indebtedness may affect our ability to operate our business, and may have a material adverse effect on our financial condition and results of operations. We may incur additional indebtedness, including secured indebtedness.
- We may not be able to generate sufficient cash to service all of our indebtedness, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.
- A reduction in our credit rating could adversely affect us or the holders of our securities.
- The indenture governing the 2035 Subordinated Notes contain, and any instruments governing future indebtedness would likely contain, restrictions that limit our flexibility in operating our business.

Legal and Regulatory Risks

- We are subject to extensive supervision and regulation that could restrict our activities and impose financial requirements or limitations on the conduct of our business and limit our ability to generate income.
- We may be subject to more stringent capital requirements in the future.
- The CFPB has issued "ability-to-repay" and "qualified mortgage" rules that may have a negative impact on our loan origination process and foreclosure proceedings, which could adversely affect our business, operating results, and financial condition.

Risks Related to Our Common Stock

- We may issue shares of preferred stock or additional shares of common stock to complete an acquisition or effect a combination or under an employee incentive plan after consummation of an acquisition or business combination, which would dilute the interests of our stockholders and likely present other risks.
- Our common stock price may experience substantial volatility, which may affect your ability to sell our common stock at an advantageous price.
- Existing circumstances may result in several of our directors having interests that may conflict with our interests.
- Our rights and the rights of our stockholders to take action against our directors and officers are limited.
- Our charter and bylaws contain provisions that could discourage acquisition bids or merger proposals, which may adversely affect the market price of our common stock.
- There can be no assurance that we will continue to declare cash dividends or repurchase stock.

PART I

Item 1. Business.

General

Hilltop Holdings Inc. is a diversified, Texas-based financial holding company incorporated in Maryland and registered under the Bank Holding Company Act of 1956, as amended (the "Bank Holding Company Act"). Our primary line of business is to provide business and consumer banking services from offices located throughout Texas through the Bank. We also provide an array of financial products and services through our broker-dealer and mortgage origination segments. We endeavor to build and maintain a strong financial services company through organic growth as well as acquisitions, which we may make using available capital, excess liquidity and, if necessary or appropriate, additional equity or debt financing sources. The following includes additional details regarding the financial products and services provided by each of our two primary business units.

PCC. PCC is a financial holding company that provides, through its subsidiaries, traditional banking and wealth, investment and treasury management services primarily in Texas and residential mortgage loans throughout the United States.

Securities Holdings. Securities Holdings is a holding company that provides, through its subsidiaries, investment banking and other related financial services, including municipal advisory, sales, trading and underwriting of taxable and tax-exempt fixed income securities, clearing, securities lending, structured finance and retail brokerage services throughout the United States.

At December 31, 2025, on a consolidated basis, we had total assets of $15.8 billion, total deposits of $10.9 billion, total loans, including loans held for sale, of $9.2 billion and stockholders' equity of $2.2 billion.

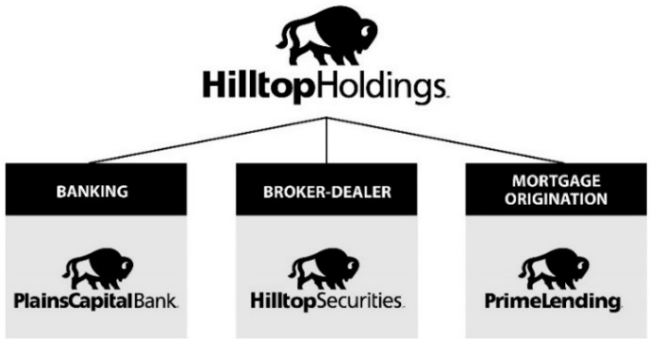
Our common stock is listed on the New York Stock Exchange ("NYSE") and NYSE Texas under the symbol "HTH."

Our principal office is located at 6565 Hillcrest Avenue, Dallas, Texas 75205, and our telephone number at that location is (214) 855-2177. Our internet address is www.hilltop.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available on our website, free of charge, at http://ir.hilltop.com/ under the tab "Filings" as soon as reasonably practicable after we electronically file such reports with, or furnish them to, the Securities and Exchange Commission (the "SEC"). The references to our website in this Annual Report are inactive textual references only. The information on our website is not incorporated by reference into this Annual Report. The SEC maintains a public website, www.sec.gov, which includes information about and the filings of issuers that file electronically with the SEC.

Business Segments

Under accounting principles generally accepted in the United States ("GAAP"), our business units are comprised of three reportable business segments organized primarily by the core products offered to the segments' respective customers: banking, broker-dealer, and mortgage origination. These segments reflect the manner in which operations are managed and the criteria used by our chief operating decision maker, our President and Chief Executive Officer, to evaluate segment performance, develop strategy and allocate resources.

The following graphic reflects our current business segments.



Corporate includes certain activities not allocated to specific business segments. These activities include holding company financing and investing activities, merchant banking investment opportunities, and management and administrative services to support the overall operations of the Company. Hilltop's merchant banking investment activities include the identification of attractive opportunities for capital deployment in companies engaged in non-financial activities through its merchant bank subsidiary, Hilltop Opportunity Partners LLC.

For more financial information about each of our business segments, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," herein. See also Note 27 in the notes to our consolidated financial statements included under Item 8, "Financial Statements and Supplementary Data."

Banking

The banking segment includes the operations of the Bank, which, at December 31, 2025, had $12.7 billion in assets and total deposits of $11.0 billion. The primary sources of our deposits are residents of and businesses located in Texas. At December 31, 2025, the Bank employed approximately 1,030 people.

The table below sets forth a distribution of the banking segment's loans, classified by portfolio segment. The banking segment's loan portfolio included $1.3 billion in warehouse lines of credit extended to PrimeLending and its affiliated business arrangements ("ABAs"), of which $0.9 billion was drawn at December 31, 2025. Amounts advanced against the warehouse lines of credit are included in the table below, but are eliminated from net loans on our consolidated balance sheets.

	Total Loans Held for Investment	% of Total Loans Held for Investment
Commercial real estate:		
Non-owner occupied	$ 2,121,087	23.9 %
Owner occupied	1,533,173	17.3 %
Commercial and industrial	1,269,378	14.3 %
Mortgage warehouse lending	257,089	2.9 %
Construction and land development	894,011	10.1 %
1-4 family residential	1,861,654	21.0 %
Consumer	31,027	0.3 %
	7,967,419	89.8 %
PrimeLending warehouse lines of credit	906,011	10.2 %
Total loans held for investment	$ 8,873,430	100.0 %

Our lending policies seek to establish an asset portfolio that will provide a return on stockholders' equity sufficient to maintain capital to assets ratios that meet or exceed established regulations. In support of that goal, we have designed our underwriting standards to determine:

- that our borrowers possess sound ethics and competently manage their affairs;
- that we know the source of the funds the borrower will use to repay the loan;
- that the purpose of the loan makes economic sense; and
- that we identify relevant risks of the loan and determine that the risks are acceptable.

We implement our underwriting standards according to the facts and circumstances of each particular loan request, as discussed below.

Business Banking. Our business banking customers primarily consist of real estate (including construction and land development), wholesale/retail trade, healthcare, institutions of higher education, agribusiness and energy companies. We provide these customers with extensive banking services, such as online banking, business check cards and other add-on services as determined on a customer-by-customer basis. Our treasury management services, which are designed to reduce the time, burden and expense of collecting, transferring, disbursing and reporting cash, are also available to our business customers. We offer our business banking customers term loans, commercial real estate loans, lines of credit, equipment loans, letters of credit, agricultural loans and other lending products.

Commercial and industrial loans are primarily made within Texas and are underwritten on the basis of the borrower's ability to service the debt from cash flow from an operating business. In general, commercial and industrial loans involve more credit risk than residential and commercial real estate loans and, therefore, usually yield a higher return. The increased risk in commercial and industrial loans results primarily from the type of collateral securing these loans, which typically includes accounts receivable, equipment and inventory. Additionally, increased risk arises from the expectation that commercial and industrial loans generally will be serviced principally from operating cash flow of the business, and such cash flows are dependent upon successful business operations. Historical trends have shown these types of loans to have higher delinquencies than mortgage loans. As a result of the additional risk and complexity associated with commercial and industrial loans, such loans require more thorough underwriting and servicing than loans to individuals. To manage these risks, our policy is to attempt to secure commercial and industrial loans with both the assets of the borrowing business and other additional collateral and guarantees that may be available. In addition, depending on the size of the credit, we actively monitor the financial condition of the borrower by analyzing the borrower's financial statements and assessing certain financial measures, including cash flow, collateral value and other appropriate credit factors. We also have processes in place to analyze and evaluate on a regular basis our exposure to industries, products, market changes and economic trends.

The Bank offers term financing on commercial real estate that includes retail, office, multi-family, industrial and warehouse properties. Commercial mortgage lending can involve high principal loan amounts, and the repayment of these loans is dependent, in large part, on a borrower's ongoing business operations or on income generated from the properties that are leased to third parties. Accordingly, we apply the measures described above for commercial and industrial loans to our commercial real estate lending, with increased emphasis on analysis of collateral values. As a general practice, the Bank requires its commercial mortgage loans to (i) be secured with first lien positions on the underlying property, (ii) maintain adequate equity margins, (iii) be serviced by businesses operated by an established management team and (iv) be guaranteed by the principals of the borrower. The Bank seeks lending opportunities where cash flow from the collateral provides adequate debt service coverage and/or the guarantor's net worth is comprised of assets other than the project being financed.

The Bank's mortgage warehouse lending activities consist of asset-based lending in which the Bank provides short-term, revolving lines of credit to independent mortgage bankers ("IMBs"). IMBs are generally small businesses, with mortgage loan origination and servicing as their sole or primary business. IMBs use the funds from their lines of credit to provide home loans to prospective and existing homeowners. When the IMBs subsequently sell the loans to institutional investors in the secondary market—typically within 30 days of closing the transaction—the proceeds from the sale are used to pay down and therefore replenish their lines of credit.

The Bank also offers construction financing for commercial, retail, office, industrial, warehouse, single-family and multi-family developments. Construction loans involve additional risks because loan funds are advanced upon the security of a project under construction, and the project is of uncertain value prior to its completion. If the Bank is forced to foreclose on a project prior to completion, it may not be able to recover the entire unpaid portion of the loan. Additionally, the Bank may be required to fund additional amounts to complete a project and may have to hold the property for an indeterminate period of time. Because of uncertainties inherent in estimating construction costs, the market value of the completed project and the effects of governmental regulation on real property, it can be difficult to accurately evaluate the total funds required to complete a project and the related loan-to-value ratio. As a result of these uncertainties, construction lending often involves the disbursement of substantial funds with repayment dependent, in part, on the success of the ultimate project rather than the ability of a borrower or guarantor to repay the loan. The Bank generally requires that the subject property of a construction loan for commercial real estate be pre-leased because cash flows from the completed project provide the most reliable source of repayment for the loan. Loans to finance these projects are generally secured by first liens on the underlying real property. The Bank conducts periodic completion inspections, either directly or through an agent, prior to approval of periodic draws on these loans.

In addition to the real estate lending activities described above, a portion of the Bank's real estate portfolio consists of one-to-four family residential mortgage loans typically collateralized by owner occupied properties. These residential mortgage loans are generally secured by a first lien on the underlying property and have maturities up to 30 years. These loans are shown in the loans held for investment table above as "1-4 family residential."

Personal Banking. The Bank offers a broad range of personal banking products and services for individuals. Similar to its business banking operations, the Bank also provides its personal banking customers with a variety of add-on features such as check cards, safe deposit boxes, online banking, bill pay, overdraft privilege services and access to automated teller machine (ATM) facilities throughout the United States. The Bank offers a variety of deposit accounts to its personal banking customers including savings, checking, interest-bearing checking, money market and certificates of deposit.

The Bank loans to individuals for personal, family and household purposes, including lines of credit, home improvement loans, home equity loans, and loans for purchasing and carrying securities.

Private Banking and Investment Management. The Bank's private banking team personally assists high net worth individuals and their families with their banking needs, including depository, credit, asset management, and trust and estate services. The Bank offers trust and asset management services in order to assist these customers in managing, and ultimately transferring, their wealth.

The Bank provides personal trust, investment management and employee benefit plan administration services, including estate planning, management and administration, investment portfolio management and employee benefit account and individual retirement account services.

Broker-Dealer

The "Hilltop Broker-Dealers" include the operations of Hilltop Securities, a broker-dealer subsidiary registered with the SEC and the Financial Industry Regulatory Authority, Inc. ("FINRA") and a member of the NYSE, Momentum Independent Network, an introducing broker-dealer subsidiary that is also registered with the SEC and FINRA, and Hilltop Securities Asset Management, LLC. Hilltop Securities and Momentum Independent Network are both registered with the Commodity Futures Trading Commission ("CFTC") as non-guaranteed introducing brokers and as members of the National Futures Association ("NFA"). Additionally, Hilltop Securities Asset Management, LLC, Hilltop Securities and Momentum Independent Network are investment advisers registered with the SEC under the Investment Advisers Act of 1940, as amended, (the "Advisers Act"). At December 31, 2025, Hilltop Securities had total assets of $2.9 billion and net capital of $220.6 million, which was $214.4 million in excess of its minimum net capital requirement of $6.1 million. At December 31, 2025, the Hilltop Broker-Dealers employed approximately 790 people and maintained 39 locations in 16 states.

Our broker-dealer segment has four primary lines of business: (i) public finance services, (ii) structured finance, (iii) fixed income services, and (iv) wealth management, which includes retail, clearing services and securities lending.

These lines of business and the respective services provided reflect the current manner in which the broker-dealer segment's operations are managed.

Public Finance Services. The public finance services line of business assists public entities nationwide, including cities, counties, school districts, utility districts, tax increment zones, special districts, state agencies and other governmental entities, in originating, syndicating and distributing securities of municipalities and political subdivisions. In addition, the public finance services line of business provides specialized advisory and investment banking services for airports, convention centers, healthcare institutions, institutions of higher education, housing, industrial development agencies, toll road authorities, and public power and utility providers.

Additionally, through its arbitrage rebate, treasury management and government investment pools management departments, the public finance services line of business provides state and local governments with advice and guidance with respect to arbitrage rebate compliance, portfolio management and local government investment pool administration.

Structured Finance. The structured finance line of business provides advisory services and product expertise related to derivatives for U.S. Agency to-be-announced ("TBA") and commodities. The business line participates in programs in which it issues forward purchase commitments of mortgage-backed products to certain non-profit housing clients and sells TBA mortgage-backed securities. The structured finance business line also specializes in the sales and trading of mortgage-backed, asset-backed and commercial mortgage-backed securities. Additionally, this business line provides agricultural insurance through Hilltop Securities Insurance Agency Inc., whereby we act as an agent in these transactions and retain no underwriting risk with regard to the sale of insurance products.

Fixed Income Services. The fixed income services line of business specializes in sales, trading and underwriting of U.S. government and government agency bonds, corporate bonds, municipal bonds and structured products to support sales and other client activities. In addition, the fixed income services line of business provides asset and liability management advisory services to community banks.

Wealth Management. The wealth management line of business is comprised of our retail, clearing services and securities lending groups.

Retail. The retail group acts as a securities broker for retail customers in the purchase and sale of securities, options, and futures contracts that are traded on various exchanges or in the over-the-counter market through our employee-registered representatives or independent contractor arrangements. We extend margin credit on a secured basis to our retail customers to facilitate securities transactions. Through Hilltop Securities Insurance Agency Inc. we hold insurance licenses to facilitate the sale of insurance and annuity products by Hilltop Securities and Momentum Independent Network advisors to retail clients. We act as an agent in these transactions and retain no underwriting risk related to these insurance and annuity products. In addition, through our investment management team, the retail group provides a number of advisory programs that offer advisors a wide array of products and services for their advisory businesses and clients. In most cases, we charge commissions to our clients in accordance with an established commission schedule, subject to certain discounts based upon the client's level of business, the trade size and other relevant factors. The Momentum Independent Network advisors may also contract directly with third-party carriers to sell specified insurance products to their customers. The commissions received from these third-party carriers are paid directly to the advisor. At December 31, 2025, we employed 90 registered representatives in 20 retail brokerage offices and had contracts with 150 independent retail representatives for the administration of their securities business.

Clearing Services. The clearing services group offers fully disclosed clearing services to FINRA- and SEC-registered member firms for trade execution and clearance as well as back office services such as record keeping, trade reporting, accounting, general back-office support, securities and margin lending, reorganization assistance and custody of securities. At December 31, 2025, we provided services to 93 financial organizations, including correspondent firms, correspondent broker-dealers, registered investment advisers, discount and full-service brokerage firms, and institutional firms.

Securities Lending. The securities lending group performs activities that include borrowing and lending securities for other broker-dealers, lending institutions, and internal clearing and retail operations. These activities involve borrowing securities to cover short sales and to complete transactions in which customers have failed to deliver securities by the required settlement date, and lending securities to other broker-dealers for similar purposes.

Mortgage Origination

Our mortgage origination segment operates through a wholly owned subsidiary of the Bank, PrimeLending, which is a residential mortgage banker licensed to originate and close loans in all 50 states and the District of Columbia. PrimeLending primarily originates its mortgage loans through a retail channel, with additional lending through its ABAs. During 2025, funded loan volume through ABAs was approximately 14% of the mortgage origination segment's total loan volume. At December 31, 2025, our mortgage origination segment operated from over 170 locations in 46 states, originating 30.2%, 7.8% and 5.6%, respectively, of its mortgage loans (by dollar volume) from its Texas, California and South Carolina locations. The mortgage lending business is subject to variables that can impact loan origination volume, including seasonal and interest rate fluctuations. Historically, the mortgage origination segment has experienced increased loan origination volume from purchases of homes during the spring and summer months, when more people tend to move and buy or sell homes. As a result, the results of operations for any single quarter in the mortgage origination segment are not necessarily indicative of the results that may be achieved for a full fiscal year.
A decrease in mortgage interest rates tends to result in increased loan origination volume from refinancings, while an increase in mortgage interest rates tends to result in decreased loan origination volume from refinancings. Changes in mortgage interest rates have historically had a lesser impact on home purchases volume than on refinancing volume.

PrimeLending handles loan processing, underwriting and closings in-house. Mortgage loans originated by PrimeLending are funded through warehouse lines of credit maintained with the Bank. PrimeLending sells substantially all mortgage loans it originates to various investors in the secondary market. In addition, the mortgage origination segment originates loans on behalf of the Bank. PrimeLending's determination of whether to retain or release servicing on mortgage loans it sells is impacted by, among other things, changes in mortgage interest rates, refinancing and market activity, and balance sheet positioning at Hilltop. Loan volumes to be originated on behalf of and retained by the banking segment are evaluated each quarter. Loans sold to and retained by the Bank during 2025, 2024 and 2023 were $185.4 million, $124.3 million and $140.3 million, respectively. Loan volumes to be originated on behalf of and retained by the banking segment are expected to be impacted by, among other things, an ongoing review of the prevailing mortgage rates, balance sheet positioning at Hilltop and the banking segment's outlook for commercial loan growth. PrimeLending may, from time to time, manage its mortgage servicing rights ("MSR") assets through different strategies, including varying the percentage of mortgage loans sold servicing released and opportunistically selling MSR assets. As mortgage loans are sold in the secondary market, PrimeLending pays down its warehouse lines of credit with the Bank. Loans sold are subject to certain standard indemnification provisions with investors, including the repurchase of loans sold and the repayment of sales proceeds to investors under certain conditions.

Our mortgage lending underwriting strategy, driven in large measure by secondary market investor standards, seeks primarily to originate conforming loans. Our underwriting practices include:

- granting loans on a sound and collectible basis;
- obtaining a balance between maximum yield and minimum risk;
- ensuring that primary and secondary sources of repayment are adequate in relation to the amount of the loan; and
- ensuring that each loan is properly documented and, if appropriate, adequately insured.

PrimeLending also acts as a primary servicer for loans originated prior to sale and loans sold with servicing retained.

PrimeLending, including its ABAs, had a staff of approximately 1,300 people, including approximately 800 mortgage loan officers, as of December 31, 2025 that produced $8.9 billion in closed mortgage loan volume during 2025, 85.9% of which related to home purchases volume. PrimeLending offers a variety of loan products catering to the specific needs of borrowers seeking purchase or refinancing options, including 30-year and 15-year fixed rate conventional mortgages, adjustable rate mortgages, jumbo loans, new construction loans, and Federal Housing Administration ("FHA"), Veterans Affairs ("VA"), and United States Department of Agriculture loans. Mortgage loans originated by PrimeLending are secured by a first lien on the underlying property. PrimeLending does not currently originate subprime loans (which it defines to be conventional and government loans that (i) are ineligible for sale to the Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") or Government National Mortgage Association ("GNMA"), or (ii) do not comply with approved investor-specific underwriting guidelines).

Geographic Dispersion of our Businesses

The Bank provides traditional banking and wealth, investment and treasury management services. The Bank has a presence in the large metropolitan markets in Texas and conducts substantially all of its banking operations in Texas.

Our broker-dealer services are provided through Hilltop Securities and Momentum Independent Network, which conduct business nationwide, with 82% of the broker-dealer segment's net revenues during 2025 generated through locations in Texas, New York and California.

PrimeLending provides residential mortgage origination products and services from over 170 locations in 46 states. During 2025, an aggregate of 67% of PrimeLending's origination volume was concentrated in ten states, with 44% concentrated in Texas, California and South Carolina, collectively. Other than these ten states, none of the states in which PrimeLending operated during 2025 represented more than 2% of PrimeLending's origination volume.

Employees and Human Capital Resources

At December 31, 2025 we employed approximately 3,500 full-time employees and less than 50 part-time employees. Our employees are not represented by any collective bargaining group. Management believes that we have good relations with our employees.

We encourage and support the growth and development of our employees and, wherever possible, seek to fill positions by promotion and transfer from within the organization. Continual learning and career development are advanced through annual performance and development conversations with employees, internally developed training programs, customized corporate training engagements and seminars, conferences, and other training events employees are encouraged to attend in connection with their job duties.

Employee retention helps us operate efficiently and achieve one of our business objectives, which is being a high-level service provider. We believe our commitment to our core values (integrity, collaboration, adaptability, respect and excellence) as well as actively prioritizing concern for our employees' well-being, supporting our employees' career goals, offering competitive wages and providing valuable fringe benefits aids in the retention of our top-performing employees. At December 31, 2025, approximately 39% of our current staff had been with us for ten years or more.

During 2025, women represented over 54% of Hilltop's workforce, and 10% of the overall executive management team. During 2025, 35% of our employees fell within the minority classification and approximately 38% of our employees were below the age of 45.

Hilltop has three employee-based councils, namely the Culture Council, Diversity Momentum Council and Women Momentum Council, each devoted to driving employee engagement and sponsoring events across the enterprise to promote social networking amongst all employees.

We are committed to offering transparency into our business activities and providing our stakeholders with key data supporting our sustainability. For more information, see our current Environmental, Social and Governance, or ESG, and Sustainability Report, available on our website at https://hilltop.com/ under the tab "Who We Are – ESG & Sustainability." The references to our website in this Annual Report are inactive textual references only. The information on our website is not incorporated by reference into this Annual Report.

Competition

We face significant competition in the business segments in which we operate and the geographic markets we serve. Many of our competitors have substantially greater financial resources, lending limits and branch networks than we do, and offer a broader range of products and services.

Our banking segment primarily competes with national, regional and community banks within the various markets where the Bank operates. The Bank also faces competition from many other types of financial institutions, including savings and loan associations, credit unions, finance companies, pension trusts, mutual funds, insurance companies, brokerage and investment banking firms, asset-based non-bank lenders, government agencies and certain other non-financial institutions. The ability to attract and retain skilled lending professionals is critical to our banking business. Competition for deposits and in providing lending products and services to consumers and businesses in our market area continues to be competitive and pricing is important. Competition for deposits and lending services is also increasing from internet-based competitors and fintech companies. Other factors encountered in competing for deposits are convenient office locations, interest rates and fee structures of products offered. Direct competition for deposits also comes from other commercial bank and thrift institutions, money market mutual funds and corporate and government securities that may offer more attractive rates than insured depository institutions are willing to pay. Competition for loans is based on factors such as interest rates, loan origination fees and the range of services offered by the provider.

Within our broker-dealer segment, we face significant competition based on a number of factors, including price, perceived expertise, quality of advice, reputation, range of services and products, technology, innovation and local presence. Competition for recruiting and retaining securities traders, investment bankers, and other financial advisors is intense. Our broker-dealer business competes directly with numerous other financial advisory and investment banking firms, broker-dealers and banks, including large national and major regional firms and smaller niche companies, some of whom are not broker-dealers and, therefore, are not subject to the broker-dealer regulatory framework. Further, our broker-dealer segment competes with discount brokerage firms, including fintech startups, that do not offer equivalent services but offer discounted prices and certain free services.

Our competitors in the mortgage origination business include large financial institutions as well as independent mortgage banking companies, commercial banks, savings banks, savings and loan associations and fintech companies. Our mortgage origination segment competes on a number of factors including customer service, quality and range of products and services offered, price, reputation, interest rates, closing process and duration, and loan origination fees. The ability to attract and retain skilled mortgage origination professionals is critical to our mortgage origination business. We seek to distinguish ourselves from our competitors through our commitment to personalized customer service and responsiveness to customer needs while providing a range of competitive mortgage loan products and services.

We seek to distinguish ourselves from our competitors through our commitment to personalized customer service and responsiveness to customer needs while providing a range of competitive loan and deposit products and other financial services.

Overall, competition among providers of financial products and services continues to increase as technological advances, including artificial intelligence and automation, have lowered the barriers to entry for financial technology companies, with consumers having the opportunity to select from a growing variety of traditional and nontraditional alternatives, including online checking, savings and brokerage accounts, online lending, online insurance underwriters, crowdfunding, digital wallets, and money transfer services. The ability of non-banking financial institutions to provide services previously limited to commercial banks has intensified competition. Because non-banking financial institutions are not subject to many of the same regulatory restrictions as banks and bank holding companies, they can often operate with greater flexibility and lower cost structures.

Government Supervision and Regulation

General

We are subject to extensive regulation under federal and state laws and by various governmental and other regulatory authorities. The regulatory framework is intended primarily for the protection of depositors, clients, and the deposit insurance fund (the "DIF") of the Federal Deposit Insurance Corporation (the "FDIC"), and not for the protection of our stockholders or creditors. In many cases, the applicable regulatory authorities have broad enforcement power over bank holding companies, banks and their subsidiaries, including the power to impose substantial fines and other penalties for violations of laws and regulations. The following discussion describes the material elements of the regulatory framework that applies to us and our subsidiaries. References in this Annual Report to applicable statutes and regulations are brief

summaries thereof, do not purport to be complete, and are qualified in their entirety by reference to such statutes and regulations. A change in any of these laws or regulations may have a material effect on our business and the business of our subsidiaries. Political developments, including the change in administration of the United States federal government, have added additional uncertainty in the implementation, scope and timing of regulatory reforms.

Bank Holding Companies and Financial Holding Companies

Hilltop and PCC are both bank holding companies that have elected to be financial holding companies ("FHCs") registered under the Bank Holding Company Act, as amended by the Gramm-Leach-Bliley Act ("Gramm-Leach-Bliley Act"). Hilltop and PCC are each subject to supervision, regulation and examination by the Federal Reserve Board. The Dodd-Frank Act, Gramm-Leach-Bliley Act, the Bank Holding Company Act and other federal laws subject financial and bank holding companies to particular restrictions on the types of activities in which they may engage and to a range of supervisory requirements and activities, including regulatory enforcement actions for violations of laws and regulations.

Scope of Permissible Activities. Under the Bank Holding Company Act, Hilltop and PCC generally may not acquire a direct or indirect interest in, or control 5% or more of, the voting shares of any company that is not a bank, bank holding company, or a company that engages in activities other than those that are closely related to banking or managing or controlling banks. In approving acquisitions or the addition of activities, the Federal Reserve Board considers, among other things, whether the acquisition or the additional activities can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh such possible adverse effects as undue concentration of resources, decreased or unfair competition, conflicts of interest or unsound banking practices.

If a bank holding company has elected to become an FHC, such as Hilltop and PCC, it may engage in a broader set of activities, including insurance underwriting and broker-dealer services as well as activities that are jointly determined by the Federal Reserve and the U.S. Treasury to be financial in nature or incidental to such financial activity. FHCs may also engage in activities that are determined by the Federal Reserve Board to be complementary to financial activities. To maintain FHC status, the bank holding company and all subsidiary depository institutions must be "well managed" and "well capitalized." Additionally, all subsidiary depository institutions must have received at least a "satisfactory" rating on their most recent Community Reinvestment Act ("CRA") examination. Failure to meet these requirements may result in limitations on activities and acquisitions. Depending on the size and type of activity conducted, FHCs, such as Hilltop or PCC, may need to provide the Federal Reserve with prior notice or post notice of engaging in a new permissible nonbanking activity or acquisitions of entities engaged in permissible nonbanking activities.

Acquisitions by Bank Holding Companies. The Bank Holding Company Act requires every bank holding company to obtain the prior approval of the Federal Reserve Board before it may acquire all or substantially all of the assets of any bank, or ownership or control of any voting shares of any bank, if after such acquisition it would own or control, directly or indirectly, more than 5% of the voting shares of such bank. In approving bank acquisitions by bank holding companies, the Federal Reserve Board is required to consider, among other things, the financial and managerial resources and future prospects of the bank holding company and the banks concerned, the convenience and needs of the communities to be served, and various competitive factors. In addition, the Dodd-Frank Act requires the Federal Reserve Board to consider "the risk to the stability of the U.S. banking or financial system" when evaluating acquisitions of banks and nonbanks under the Bank Holding Company Act. With respect to interstate acquisitions, the Dodd-Frank Act amends the Bank Holding Company Act by raising the standard by which interstate bank acquisitions are permitted from a standard that the acquiring bank holding company be "adequately capitalized" and "adequately managed" to the higher standard of being "well capitalized" and "well managed."

Control Acquisitions. The Change in Bank Control Act prohibits a person or group of persons from acquiring "control" of a bank holding company unless the Federal Reserve Board has been notified and has not objected to the transaction. As a general matter, an investor is deemed to control a depository institution or other company if the investor owns or controls 25% or more of any class of voting stock or 33% or more of the total equity of such other company, and in certain other circumstances, an investor may be presumed to control a depository institution or other company if the investor owns or controls less than 25% or more of any class of voting stock.

Regulatory Restrictions on Dividends; Source of Strength. Bank holding companies are required to serve as source of financial and managerial strength to their subsidiary depository institutions by providing capital, liquidity and other support in times of financial stress. It is the policy of the Federal Reserve Board that bank holding companies should pay cash dividends on common stock only out of income available over the past year and only if prospective earnings retention is consistent with the organization's expected future needs and financial condition.

In acting as a source of financial strength to its banking subsidiaries, a bank holding company is expected commit resources to their support, even during times when a holding company may not otherwise be inclined to provide it. As discussed herein, a bank holding company, in certain circumstances and subject to certain limitations, could be required to guarantee the capital plan of an undercapitalized banking subsidiary.

Safe and Sound Banking Practices. Bank holding companies are not permitted to engage in unsafe and unsound banking practices and bank holding companies and their subsidiaries are subject to periodic reporting requirements, examinations, and prior notice or approvals from the Federal Reserve Board.

The Federal Reserve Board's Regulation Y, generally requires a holding company to give the Federal Reserve Board prior notice of any redemption or repurchase of its equity securities, if the consideration to be paid, together with the consideration paid for any repurchases or redemptions in the preceding year, is equal to 10% or more of the company's consolidated net worth. In addition, bank holding companies are required to consult with the Federal Reserve Board prior to making any redemption or repurchase, even within the foregoing parameters. The Federal Reserve Board may oppose the transaction if it believes that the transaction would constitute an unsafe or unsound practice or would violate any law or regulation. Depending upon the circumstances, the Federal Reserve Board could take the position that paying a dividend would constitute an unsafe or unsound banking practice.

The Federal Reserve Board has broad authority to prohibit activities of bank holding companies and their nonbanking subsidiaries that represent unsafe and unsound banking practices or that constitute violations of laws or regulations, and can assess civil money penalties for certain activities conducted on a knowing or reckless basis, if those activities caused a substantial loss to a depository institution. The penalties can be as high as $2.5 million for each day the activity continues.

Capital Adequacy Requirements and BASEL III. Hilltop and PlainsCapital, which includes the Bank and PrimeLending, are subject to capital adequacy requirements under the comprehensive capital framework for U.S. banking organizations known as "Basel III". Basel III, which reformed the existing frameworks under which U.S. banking organizations historically operated, became effective January 1, 2015 and was fully phased in as of January 1, 2019. Basel III was developed by the Basel Committee on Banking Supervision and adopted by the federal banking agencies. On July 27, 2023, the federal banking agencies issued a proposal, referred to as "Basel III Endgame," that would result in significant changes to the U.S. regulatory capital rules for banking organizations with total consolidated assets of $100 billion or more. Since neither Hilltop, nor any of its banking organization subsidiaries, would surpass the $100 billion threshold, a discussion of such proposal is not included herein.

The federal banking agencies' risk-based capital and leverage ratios are minimum supervisory ratios generally applicable to banking organizations that meet certain specified criteria, assuming that they have the highest regulatory rating. Banking organizations not meeting these criteria are expected to operate with capital positions well above the minimum ratios. The federal bank regulatory agencies may set capital requirements for a particular banking organization that are higher than the minimum ratios when circumstances warrant. Federal Reserve Board guidelines also provide that banking organizations experiencing internal growth or making acquisitions will be expected to maintain strong capital positions substantially above the minimum supervisory levels, without significant reliance on intangible assets.

Under Basel III, total capital consists of two tiers of capital, Tier 1 and Tier 2. Tier 1 capital consists of common equity Tier 1 capital and additional Tier 1 capital. Below is a list of certain significant components that comprise the tiers of capital for Hilltop and PlainsCapital under Basel III.

Common equity Tier 1 capital:

- includes common stockholders' equity (such as qualifying common stock and any related surplus, undivided profits, disclosed capital reserves that represent a segregation of undivided profits and foreign currency translation adjustments, excluding changes in other comprehensive income (loss) and treasury stock);
- includes certain minority interests in the equity capital accounts of consolidated subsidiaries; and
- excludes goodwill and various intangible assets.

Additional Tier 1 capital:

- includes certain qualifying minority interests not included in common equity Tier 1 capital;
- includes certain preferred stock and related surplus;
- includes certain subordinated debt; and
- excludes 50% of the insurance underwriting deduction.

Tier 2 capital:

- includes allowance for credit losses, up to a maximum of 1.25% of risk-weighted assets;
- includes minority interests not included in Tier 1 capital; and
- excludes 50% of the insurance underwriting deduction.

The following table summarizes the Basel III requirements.

Item	Requirement
Minimum common equity Tier 1 capital ratio	4.5 %
Common equity Tier 1 capital conservation buffer	2.5 %
Minimum common equity Tier 1 capital ratio plus capital conservation buffer	7.0 %
Minimum Tier 1 capital ratio	6.0 %
Minimum Tier 1 capital ratio plus capital conservation buffer	8.5 %
Minimum total capital ratio	8.0 %
Minimum total capital ratio plus capital conservation buffer	10.5 %
Minimum leverage ratio	4.0 %

In order to avoid limitations on capital distributions, including dividend payments, stock repurchases and certain discretionary bonus payments to executive officers, Basel III also implemented a capital conservation buffer, which requires a banking organization to hold a buffer above its minimum risk-based capital requirements. This buffer helps to ensure that banking organizations conserve capital when it is most needed, allowing them to better weather periods of economic stress. The buffer is measured relative to risk-weighted assets.

The rules also prohibit a banking organization from making distributions or discretionary bonus payments during any quarter if its eligible retained income is negative in that quarter and its capital conservation buffer ratio was less than 2.5% at the beginning of the quarter. A banking organization with a buffer greater than 2.5% would not be subject to limits on capital distributions or discretionary bonus payments; however, a banking organization with a buffer of less than 2.5% would be subject to increasingly stringent limitations as the buffer approaches zero. The eligible retained income of a banking organization is defined as its net income for the four calendar quarters preceding the current calendar quarter, based on the organization's quarterly regulatory reports, net of any distributions and associated tax effects not already reflected in net income. When the rules were fully phased-in in 2019, the minimum capital requirements plus the capital conservation buffer should have exceeded the prompt corrective action well-capitalized thresholds.

During 2025, our eligible retained income was positive and our capital conservation buffer was greater than 2.5%, and therefore, we were not subject to limits on capital distributions or discretionary bonus payments. We anticipate similar results during 2026.

At December 31, 2025, Hilltop had a total capital to risk-weighted assets ratio of 22.20%, Tier 1 capital to risk-weighted assets ratio of 19.70% and a common equity Tier 1 capital to risk-weighted assets ratio of 19.70%. Hilltop's actual capital amounts and ratios in accordance with Basel III exceeded the regulatory capital requirements including conservation buffer in effect at the end of the period.

At December 31, 2025, PlainsCapital had a total capital to risk-weighted assets ratio of 15.60%, Tier 1 capital to risk-weighted assets ratio of 14.49% and a common equity Tier 1 capital to risk-weighted assets ratio of 14.49%. Accordingly, PlainsCapital's actual capital amounts and ratios in accordance with Basel III resulted in it being considered "well-capitalized" and exceeded the regulatory capital requirements including conservation buffer in effect at the end of the period.

Phase-in of Current Expected Credit Losses Accounting Standard. In June 2016, the Financial Accounting Standards Board issued an update to the accounting standards for credit losses that included the Current Expected Credit Losses ("CECL") methodology, which replaces the existing incurred loss methodology for certain financial assets. CECL became effective January 1, 2020. In December 2018, the federal bank regulatory agencies approved a final rule modifying their regulatory capital rules and providing an option to phase-in, over a period of three years, the day-one regulatory capital effects resulting from the implementation of CECL. The final rule also revises the agencies' other rules to reflect the update to the accounting standards. In March 2020, in connection with the economic uncertainties associated with the effects of the pandemic, the agencies' issued an additional transition option that permitted banking institutions to mitigate the estimated cumulative regulatory capital effects from CECL over a five-year transitionary period through December 31, 2024. We elected to exercise this option for phase-in. As of January 1, 2025, Hilltop and PlainsCapital had fully captured the day-one regulatory capital effects resulting from the implementation of CECL.

Volcker Rule. Section 619 of the Dodd-Frank Act, known as the "Volcker Rule," restricts "banking entities" such as Hilltop, PCC and the Bank, from engaging in proprietary trading and sponsoring or investing in "covered funds," which include many private equity and hedge funds, subject to certain exceptions or exemptions. The federal banking agencies, together with the SEC and CFTC, have published a number of rules to implement and provide greater clarity and certainty about the activities prohibited by the Volcker Rule and to improve supervision and implementation of the Volcker Rule based on the agencies' experience implementing these provisions.

PlainsCapital Bank

The Bank is a Texas state-chartered bank that is a member of the Federal Reserve System. As a result, the Bank is subject to various requirements and restrictions under the laws of the United States, and to regulation, supervision and regular examination by the Texas Department of Banking. and the Federal Reserve Board. The Bank is also an insured depository institution and, therefore, subject to regulation by the FDIC, although the Federal Reserve Board is the Bank's primary federal regulator. The Bank is subject to the supervisory and enforcement authority by the CFPB with respect to federal consumer protection laws, including laws relating to fair lending and the prohibition of unfair, deceptive or abusive acts or practices in connection with the offer, sale or provision of consumer financial products and services.

The Federal Reserve Board, the Texas Department of Banking, the CFPB and the FDIC have the power to enforce compliance with applicable banking statutes and regulations. Such requirements and restrictions include requirements to maintain reserves against deposits, restrictions on the nature and amount of loans that may be made and the interest that may be charged thereon and restrictions relating to investments and other activities of the Bank.

Restrictions on Transactions with Affiliates. Transactions between the Bank and its affiliates, including Hilltop, PrimeLending, and PCC, are subject to Sections 23A and 23B of the Federal Reserve Act, as implemented by the Federal Reserve Board's Regulation W.

In general, Section 23A imposes limits on the amount of such transactions, and also requires certain levels of collateral for loans to affiliated parties. It also limits the amount of advances to third parties that are collateralized by the securities or obligations of Hilltop or its subsidiaries. Section 23B generally requires that certain transactions between the Bank

and its affiliates be on terms substantially the same, or at least as favorable to the Bank, as those prevailing at the time for comparable transactions with or involving other nonaffiliated persons.

Loans to Insiders. The restrictions on loans to directors, executive officers, principal shareholders and their related interests (collectively referred to herein as "insiders") contained in the Federal Reserve Act and Regulation O apply to all insured institutions and their subsidiaries and holding companies. These restrictions include conditions that must be met before insider loans can be made, limits on loans to an individual insider and an aggregate limitation on all loans to insiders and their related interests. These loans cannot exceed the institution's total unimpaired capital and surplus, and the Federal Reserve Board may determine that a lesser amount is appropriate. Insiders are subject to enforcement actions for knowingly accepting loans in violation of applicable restrictions.

Restrictions on Distribution of Subsidiary Bank Dividends and Assets. Dividends paid by the Bank have provided a substantial part of PCC's operating funds, and for the foreseeable future, it is anticipated that dividends paid by the Bank to PCC will continue to be PCC's and Hilltop's principal source of operating funds. Capital adequacy requirements serve to limit the amount of dividends that may be paid by the Bank. Pursuant to the Texas Finance Code, a Texas banking association may not pay a dividend that would reduce its outstanding capital and surplus unless it obtains the prior approval of the Texas Banking Commissioner. Additionally, the FDIC and the Federal Reserve Board have the authority to prohibit Texas state banks from paying a dividend when they determine the dividend would be an unsafe or unsound banking practice. As a member of the Federal Reserve System, the Bank must also comply with the dividend restrictions with which a national bank would be required to comply. Those provisions are generally similar to those imposed by the state of Texas. Among other things, the federal restrictions require that if losses have at any time been sustained by a bank equal to or exceeding its undivided profits then on hand, no dividend may be paid.

In the event of a liquidation or other resolution of an insured depository institution, the claims of depositors and other general or subordinated creditors are entitled to a priority of payment over the claims of holders of any obligation of the institution to its stockholders, including any depository institution holding company (such as PCC and Hilltop) or any stockholder or creditor thereof.

Branching. The establishment of a bank branch must be approved by the Texas Department of Banking and the Federal Reserve Board, which consider a number of factors, including financial history, capital adequacy, earnings prospects, character of management, needs of the community and consistency with corporate powers. The regulators will also consider the applicant's CRA record. Under the Dodd-Frank Act, de novo interstate branching by banks is permitted if, under the laws of the state where the branch is to be located, a state bank chartered in that state would be permitted to establish a branch.

Prompt Corrective Action. The Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA") establishes a system under which federal banking regulators have broad powers to take prompt corrective action to resolve the problems of undercapitalized financial institutions. Under this system, the federal banking regulators have established five capital categories ("well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" and "critically undercapitalized") in which all institutions are placed. Federal banking regulators are required to take various mandatory supervisory actions and are authorized to take other discretionary actions with respect to institutions in the three undercapitalized categories. The severity of the action depends upon the capital category in which the institution is placed. Generally, subject to a narrow exception, the banking regulator must appoint a receiver or conservator for an institution that is critically undercapitalized. The federal banking agencies have specified by regulation the relevant capital level for each category.

An institution that is categorized as "undercapitalized," "significantly undercapitalized" or "critically undercapitalized" is required to submit an acceptable capital restoration plan to its appropriate federal banking agency. A bank holding company must guarantee that a subsidiary depository institution meets its capital restoration plan, subject to various limitations. The controlling holding company's obligation to fund a capital restoration plan is limited to the lesser of 5% of an undercapitalized subsidiary's assets at the time it became undercapitalized or the amount required to meet regulatory capital requirements. An undercapitalized institution is also generally prohibited from increasing its average total assets, making acquisitions, establishing any branches or engaging in any new line of business, except under an accepted capital restoration plan or with approval of the applicable federal banking agency. The regulations also

establish procedures for downgrading an institution to a lower capital category based on supervisory factors other than capital. PlainsCapital was classified as "well capitalized" at December 31, 2025.

FDIC Insurance Assessments. The FDIC has adopted a risk-based assessment system for insured depository institutions that takes into account the risks attributable to different categories and concentrations of assets and liabilities. The FDIC establishes an initial base deposit insurance assessment for banks with $10 billion or more in assets using a scorecard that is generally based on a supervisory evaluation that the institution's primary federal regulator provides to the FDIC and information that the FDIC determines to be relevant to the institution's financial condition and the risk posed to the deposit insurance fund. Institutions assigned to higher risk classifications pay assessments at higher rates than institutions assigned to lower risk classifications. The FDIC may terminate its insurance of deposits if it finds that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC.

The FDIC is required to maintain a designated reserve ratio of the DIF to insured deposits in the United States. The Dodd-Frank Act required the FDIC to assess insured depository institutions to achieve a DIF ratio of at least 1.35% by September 30, 2020, which was accomplished on November 28, 2018. However, extraordinary growth in insured deposits in 2020 caused the DIF ratio to fall below 1.35%. Accordingly, on October 24, 2022, the FDIC published a final rule to increase the initial base deposit insurance assessment rate schedules by 2 basis points beginning the first quarterly assessment period of 2023 (i.e., January 1 through March 31, 2023). The increase in assessment rate schedules increased the likelihood that the DIF ratio will reach the statutory minimum of 1.35% by the statutory deadline of September 30, 2028. The Bank accrued $7.0 million of DIF assessments during 2025.

The Dodd-Frank Act permanently increased the standard maximum deposit insurance amount to $250,000. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category.

Community Reinvestment Act. The CRA requires that federal banking regulators (in the Bank's case, the Federal Reserve Board) evaluate the record of, and assign a rating to each financial institution in meeting the credit needs of its local community, including low and moderate-income neighborhoods. Regulatory agencies are required to consider these ratings when evaluating a bank's application to engage in certain transactions, such as mergers, acquisitions and establishment of branches. Failure to adequately meet these criteria could impose additional requirements and limitations on the Bank. Additionally, the Bank must publicly disclose the terms of various CRA-related agreements.

The Bank received a "satisfactory" CRA rating in connection with its most recent CRA performance evaluation. A CRA rating of less than "satisfactory" adversely affects a bank's ability to establish new branches and impairs a bank's ability to commence new activities that are "financial in nature" or acquire companies engaged in these activities. See "Risk Factors — We are subject to extensive supervision and regulation that could restrict our activities and impose financial requirements or limitations on the conduct of our business and limit our ability to generate income."

Federal Laws Applicable to Consumer Transactions. The loan operations of the Bank are also subject to federal laws and implementing regulations applicable to consumer transactions, such as the Truth In Lending Act, the Home Mortgage Disclosure Act, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Service Members Civil Relief Act, the Right to Financial Privacy Act, the Trust in Savings Act and the Electronic Funds Transfer Act. Interest and other charges collected or contracted for by the Bank are subject to state usury laws and federal laws concerning interest rates.

Capital Requirements. The Federal Reserve Board and the Texas Department of Banking monitor the capital adequacy of PlainsCapital by using a combination of risk-based guidelines and leverage ratios. The agencies consider PlainsCapital's capital levels when taking action on various types of applications and when conducting supervisory activities related to the safety and soundness of individual banks and the banking system. For additional discussion on capital requirements, see the section entitled "Government Supervision and Regulation — Bank Holding Companies and Financial Holding Companies — Capital Adequacy Requirements and Basel III" earlier in this Item 1.

Anti-tying Restrictions. Subject to various exceptions, banks are generally prohibited from tying the provision of certain services, such as extensions of credit, to certain other services offered by a bank holding company or its affiliates.

Brokered Deposits. Under FDICIA, banks may be restricted in their ability to accept brokered deposits, depending on their capital classification. "Well capitalized" banks are permitted to accept brokered deposits, but banks that are not "well capitalized" are generally not permitted to accept such deposits. The FDIC may, on a case-by-case basis, permit banks that are "adequately capitalized" to accept brokered deposits if the FDIC determines that acceptance of such deposits would not constitute an unsafe or unsound banking practice with respect to such bank. The FDIC also exempts a capped amount of reciprocal deposits from being considered as brokered deposits for certain insured depository institutions. As of December 31, 2025, PlainsCapital was "well capitalized" and therefore not subject to limitations with respect to its brokered deposits.

Federal Home Loan Bank System. The Federal Home Loan Bank ("FHLB") system, of which the Bank is a member, consists of regional FHLBs governed and regulated by the Federal Housing Finance Board. The FHLBs serve as reserve or credit facilities for member institutions within their assigned regions. The reserves are funded primarily from proceeds derived from the sale of consolidated obligations of the FHLB system. The FHLBs make loans (i.e., advances) to members in accordance with policies and procedures established by the FHLB and the boards of directors of each regional FHLB.

As a system member, according to currently existing policies and procedures, the Bank is entitled to borrow from the FHLB of its respective region and is required to own a certain amount of capital stock in the FHLB. The Bank is in compliance with the stock ownership rules with respect to such advances, commitments and letters of credit and home mortgage loans and similar obligations. All loans, advances and other extensions of credit made by the FHLB to the Bank are secured by a portion of the respective mortgage loan portfolio, certain other investments and the capital stock of the FHLB held by the Bank.

Anti-terrorism and Money Laundering Legislation. The Anti-Money Laundering Act of 2020 (the "AML 2020 Act") was enacted as part of the National Defense Authorization Act for Fiscal Year 2021. The AML 2020 Act is the most significant revision to the anti-money laundering ("AML") laws since the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism of 2001, as amended (the "USA PATRIOT Act"). The AML 2020 Act clarifies and streamlines the Currency and Foreign Transactions Reporting Act of 1970, as amended, (the "Bank Secrecy Act") and AML obligations in the following ways: requires U.S. entities and entities doing business in the United States to report into a national registry maintained by the Financial Crimes Enforcement Network ("FinCEN") certain beneficial ownership information, subject to exceptions; modernizes the statutory definition of "financial institution" to include (i) entities that provide services involving "value that substitutes for currency," which includes stored value and virtual currencies and (ii) any person engaged in the trade of antiquities, including an advisor, consultant or any other person who deals in the sale of antiquities; enhances penalties for Bank Secrecy Act and AML violations, including clawback of bonuses; increases AML whistleblower awards and expands whistleblower protections; requires the Secretary of the Treasury to establish and update every four years National AML Priorities, which are incorporated into the Bank Secrecy Act compliance programs at financial institutions subject to the Bank Secrecy Act; among other amendments. Implementing regulations concerning certain provisions of the AML 2020 Act have been proposed by FinCEN, but not all have been finalized. On September 29, 2022, FinCEN issued a final rule establishing a beneficial ownership information reporting requirement under the Corporate Transparency Act ("CTA"), which was passed as part of the AML 2020 Act. The rule, which became effective January 1, 2024, requires certain entities that are registered to do business in the United States to report information about their beneficial owners—the persons who ultimately own or control the company—to FinCEN. Currently, the CTA's reporting requirements apply only to foreign-formed entities that are registered to do business in the United States.

The Bank is subject to the USA PATRIOT Act, the Bank Secrecy Act and rules and regulations of FinCEN and the Office of Foreign Assets Control. These statutes and related rules and regulations impose requirements and limitations on specific financial transactions and account relationships intended to guard against money laundering and terrorism financing. The Bank has established a customer identification program pursuant to Section 326 of the USA PATRIOT Act and the Bank Secrecy Act, including obtaining beneficial ownership information on new legal entity customers and otherwise has implemented policies and procedures intended to comply with the foregoing rules until such time as FinCEN adopts final regulations implementing the CTA, which is part of the AML 2020 Act.

We cannot predict whether or in what form any proposed regulation or statute will be adopted or the extent to which our business may be affected by any new regulation or statute.

Incentive Compensation Guidance. Section 956 of the Dodd-Frank Act requires federal regulatory agencies, including the Federal Reserve Board, to jointly prescribe regulations or guidelines with respect to incentive-based compensation practices at certain financial institutions that have $1 billion or more in assets. On June 21, 2010, the Federal Reserve Board, the Office of the Comptroller of the Currency, and the FDIC to jointly issued comprehensive final guidance on incentive compensation policies (the "Incentive Compensation Guidance") intended to ensure that the incentive compensation policies of banking organizations do not undermine the safety and soundness of such organizations by encouraging excessive risk-taking. The Incentive Compensation Guidance sets expectations for banking organizations concerning their incentive compensation arrangements and related risk-management, control and governance processes. The Incentive Compensation Guidance, which covers all employees that have the ability to materially affect the risk profile of an organization, either individually or as part of a group, is based upon three primary principles: (i) balanced risk-taking incentives, (ii) compatibility with effective controls and risk management, and (iii) strong corporate governance. Any deficiencies in compensation practices that are identified may be incorporated into the organization's supervisory ratings, which can affect its ability to make acquisitions or perform other actions. In addition, under the Incentive Compensation Guidance, a banking organization's federal regulator may initiate enforcement action if the organization's incentive compensation arrangements pose a risk to the safety and soundness of the organization.

Privacy. Under the Gramm-Leach-Bliley Act, financial institutions are required to disclose their policies for collecting and protecting confidential information. Customers generally may prevent financial institutions from sharing nonpublic personal financial information with nonaffiliated third parties except under narrow circumstances, such as the processing of transactions requested by the consumer or when the financial institution is jointly sponsoring a product or service with a nonaffiliated third-party. Additionally, financial institutions generally may not disclose consumer account numbers to any nonaffiliated third-party for use in telemarketing, direct mail marketing or other marketing to consumers. Federal agencies have adopted regulations implementing the Gramm-Leach-Bliley Act, including the SEC's Regulation S-P. Recently, the SEC adopted amendments to Regulation S-P, effective starting on December 3, 2025, expanding the requirements imposed on covered financial institutions, including by requiring the adoption of an incident response program, requiring covered institutions to provide notice in the event of certain data breaches within a specified time period, and imposing additional requirements regarding the engagement and oversight of service providers. The Bank and all of its subsidiaries have established policies and procedures to comply with the privacy provisions of the Gramm-Leach-Bliley Act.

In addition, PrimeLending's lending activities across the country subject PrimeLending to additional state laws regarding the storage, sharing, use, disclosure, processing and protection of personal information, personally identifiable information, and user data as well as cybersecurity-related laws and requirements. Several states have adopted laws requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs. Additionally, nineteen states have passed comprehensive consumer privacy laws, including the California Consumer Privacy Act of 2018, as amended the Virginia Consumer Data Protection Act, and the Colorado Privacy Act, among others. These laws impose legal and operational obligations on covered businesses where applicable, and afford rights to state residents with respect to the privacy of their personal information, where applicable. For more information about the cybersecurity risks we face, see Item 1A., "Risk Factors — Our operational systems and networks have been, and will continue to be, subject to an increasing risk of continually evolving cybersecurity or other technological risks, which could result in a loss of customer business, financial liability, regulatory penalties, damage to our reputation or the disclosure of confidential information."

Broker-Dealer

The Hilltop Broker-Dealers are broker-dealers registered with the SEC, FINRA, all 50 U.S. states and the District of Columbia. Hilltop Securities is a member of various securities exchanges and is also registered in Puerto Rico and the U.S. Virgin Islands. Much of the regulation of broker-dealers, however, has been delegated to self-regulatory organizations, principally FINRA, the Municipal Securities Rulemaking Board and national securities exchanges. These self-regulatory organizations adopt rules (which are subject to approval by the SEC) for governing its members and the industry. Broker-dealers are also subject to federal securities laws and SEC rules, as well as the laws and rules of the states in which a broker-dealer conducts business. While the SEC, the states, and the exchanges may conduct regulatory examinations, the Hilltop Broker-Dealers are members of, and are primarily subject to regulation, supervision and regular examination by FINRA. References to the Hilltop Broker-Dealers under the heading "Broker-Dealer" shall not include Hilltop Securities Asset Management, LLC unless it is otherwise named or the context otherwise includes it.

The regulations to which broker-dealers are subject cover all aspects of the securities business, including, but not limited to, sales and trade practices, net capital requirements, record keeping and reporting procedures, relationships and conflicts with customers, the handling of cash and margin accounts, experience and training requirements for certain employees, the conduct of investment banking and research activities and the conduct of registered persons, directors, officers and employees. Broker-dealers are also subject to the privacy and anti-money laundering laws and regulations discussed herein. Additional legislation, changes in rules promulgated by the SEC, securities exchanges, self-regulatory organizations or states or changes in the interpretation or enforcement of existing laws and rules often directly affect the method of operation and profitability of broker-dealers. The SEC, FINRA, securities exchanges, self-regulatory organizations and states may conduct administrative and enforcement proceedings that can result in censure, fine, profit disgorgement, monetary penalties, suspension, revocation of registration or expulsion of broker-dealers, their registered persons, officers or employees. The principal purpose of regulation and discipline of broker-dealers is the protection of customers and the securities markets rather than protection of creditors and stockholders of broker-dealers.

Limitation on Businesses. The businesses that the Hilltop Broker-Dealers may conduct are limited by its agreements with, and its oversight by, FINRA, other regulatory authorities (including self-regulatory organizations) and federal and state law. Participation in new business lines, including trading of new products or participation on new exchanges or in new countries often requires governmental, FINRA and/or exchange approvals, which may take significant time and resources. References to the Hilltop Broker-Dealers under the heading "Broker-Dealer" shall not include Hilltop Securities Asset Management, LLC unless it is otherwise named or the context otherwise includes it. In addition, the Hilltop Broker-Dealers are operating subsidiaries of Hilltop, which means their activities are further limited by those that are permissible for financial holding companies and subsidiaries of financial holding companies, and as a result, the Hilltop Broker-Dealers and Hilltop may be prevented from entering into new businesses that may be profitable in a timely manner, if at all.

Net Capital Requirements. The SEC, FINRA and various other regulatory authorities have stringent rules and regulations with respect to the maintenance of specific levels of net capital by regulated entities. Rule 15c3-1 of the Exchange Act (the "Net Capital Rule") requires that a broker-dealer maintain minimum net capital. Generally, a broker-dealer's net capital is net worth plus qualified subordinated debt less deductions for non-allowable (or non-liquid) assets and other adjustments and operational charges. At December 31, 2025, the Hilltop Broker-Dealers were in compliance with applicable net capital requirements.

The SEC, CFTC, FINRA and other regulatory organizations impose rules that require notification when net capital falls below certain predefined thresholds. These rules also dictate the ratio of debt-to-equity in the regulatory capital composition of a broker-dealer, and constrain the ability of a broker-dealer to expand its business under certain circumstances. If a broker-dealer fails to maintain the required net capital, it may be subject to censure, fine, monetary penalties and other regulatory sanctions, including suspension, revocation of registration or expulsion by the SEC or applicable regulatory authorities, and suspension, revocation or expulsion by these regulators could ultimately lead to the broker-dealer's liquidation. Additionally, the Net Capital Rule and certain FINRA rules impose requirements that may have the effect of prohibiting or limiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to, and/or approval from, the SEC and FINRA for certain capital withdrawals.

Compliance with the net capital requirements may limit our operations and require a greater use of capital. Such rules require that a certain percentage of our assets be maintained in relatively liquid form and therefore act to restrict our ability to withdraw capital from our broker-dealer entities, which in turn may limit our ability to pay dividends, repay debt or redeem or purchase shares of our outstanding common stock. Any change in such rules or the imposition of new rules affecting the scope, coverage, calculation or amount of capital requirements, or a significant operating loss or any unusually large charge against capital, could adversely affect our ability to pay dividends, repay debt, meet our debt covenant requirements or to expand or maintain our operations. In addition, such rules may require us to make substantial capital contributions into one or more of the Hilltop Broker-Dealers in order for such subsidiaries to comply with such rules, either in the form of cash or subordinated loans made in accordance with the requirements of all applicable net capital rules.

Customer Protection Rule. As noted above in *Net Capital Requirements*, the Hilltop Broker-Dealers that hold customers' funds and securities are subject to the SEC's customer protection rule (Rule 15c3-3 under the Exchange Act), which generally provides that such broker-dealers maintain physical possession or control of all fully-paid securities and excess margin securities carried for the account of customers and maintain certain reserves of cash or qualified securities.

The SEC recently adopted amendments to Rule 15c3-3, which became effective as of March 14, 2025, and have a compliance date of June 30, 2026. The amendments will require certain broker-dealers that hold customer cash and securities to perform their reserve computations for accounts of customers and proprietary accounts of broker-dealers daily rather than weekly as is currently required under Rule 15c3-3. Hilltop Securities currently performs its reserve computation on a weekly basis. With the above noted amendment, Hilltop Securities may be moving to a daily reserve computation frequency. Momentum Independent Network is exempt from the computation for determination of reserve requirements and information relating to the possession or control requirements pursuant to 15c3-3 under paragraph (k)(2)(ii) of that Rule. A carrying broker-dealer with "average total credits" under Rule 15c3-3 equal to or greater than $500 million will be required to compute its reserve daily (and must make any necessary reserve deposit by 10 a.m. local time on the second following business day after the required daily computation). The first 12-month determination must be made beginning with the January 1, 2025 FOCUS Report and ending with the December 31, 2025 FOCUS Report. If a carrying broker-dealer meets the $500 million threshold of average total credits over such 12 months, then it must commence computing its reserve on a daily basis no later than six months thereafter (i.e., beginning no later than June 30, 2026). The SEC also adopted a corresponding amendment to Rule 15c3-1 to permit such broker-dealers to reduce aggregate debit items (i.e., customer-related receivables) by 2% rather than 3% as part of the computation. A carrying broker-dealer (including ones below the $500 million threshold) also may voluntarily perform a daily customer reserve computation and apply the 2% debit reduction, provided it notifies its designated examining authority (such as FINRA) in writing at least 30 calendar days prior to beginning the daily customer reserve computation that applies the 2% debit reduction.

Securities Investor Protection Corporation ("SIPC"). The Hilltop Broker-Dealers are subject to the Securities Investor Protection Act and belong to SIPC, whose primary function is to provide financial protection for the customers of failing brokerage firms. SIPC provides protection for customers up to $500,000, of which a maximum of $250,000 may be in cash.

Anti-Money Laundering. The Hilltop Broker-Dealers must also comply with anti-money laundering laws such as the USA PATRIOT Act and other related laws, rules and regulations discussed herein, including FINRA AML requirements, designed to fight international money laundering and to block terrorist access to the U.S. financial system. We are required to have systems and procedures to ensure compliance with such laws and regulations. On August 28, 2024, FinCEN, a division of the Department of Treasury, also issued a new rule imposing anti-money laundering requirements on investment advisers registered with the SEC with respect to their investment advisory businesses. The requirements are similar but not identical to the AML requirements for broker-dealers. The rule is scheduled to go into effect in January 2028. Hilltop Securities Asset Management, LLC, Hilltop Securities and Momentum Independent Network will evaluate how the new AML rule affects their respective businesses.

Bulk Data Rule. The U.S. Department of Justice issued a rule entitled the Preventing Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons, which places additional restriction on certain data transactions involving countries of concern (e.g., China, Russia, Iran) and covered individuals (i.e.,

individuals and entities who are designated as such by the U.S. Attorney General or considered "foreign persons" and are majority owned by, organized under the laws of, a primary resident in, or a contractor of, a covered person or country of concern, as applicable) that may impact certain business activities such as vendor engagements, sale or sharing of data, employment of certain individuals, and investor agreements.

CFTC Oversight. Hilltop Securities and Momentum Independent Network are registered as introducing brokers with the CFTC and NFA. The CFTC also has net capital regulations (CFTC Rule 1.17) that must be satisfied. Our futures business is also regulated by the NFA, a registered futures association. Violation of the rules of the CFTC, the NFA or the commodity exchanges could result in remedial actions including fines, registration restrictions or terminations, trading prohibitions or revocations of commodity exchange memberships.

Investment Advisory Activity. Hilltop Securities Asset Management, LLC, Hilltop Securities and Momentum Independent Network are registered with, and subject to oversight and inspection by, the SEC as investment advisers under the Advisers Act. The investment advisory business of our subsidiaries is subject to significant federal regulation, including with respect to wrap fee programs, the management of client accounts, the safeguarding of client assets, client fees and disclosures, transactions among affiliates and recordkeeping and reporting procedures. Legislation and changes in regulations promulgated by the SEC or changes in the interpretation or enforcement of existing laws and regulations often directly affect the method of operation and profitability of investment advisers. The SEC may conduct administrative and enforcement proceedings that can result in censure, fine, profit disgorgement, monetary penalties, suspension, revocation of registration or expulsion of the investment advisory business of our subsidiaries, our officers or employees.

Volcker Rule. Provisions of the Volcker Rule and the final rules implementing the Volcker Rule also restrict certain activities provided by the Hilltop Broker-Dealers, including proprietary trading and sponsoring or investing in "covered funds."

Regulation S-P. The SEC has adopted amendments to Regulation S-P that took effect on December 3, 2025. These amendments impose operationally challenging notification requirements and deadlines and obligations to implement written policies and procedures to govern oversight of service providers that will likely increase associated compliance costs for Hilltop Broker-Dealers.

Regulation Best Interest ("Regulation BI") and Form CRS Relationship Summary ("Form CRS"). Beginning June 2020, the "best interest" standard requires a broker-dealer to make recommendations of securities transactions, or investment strategies involving securities, to a retail customer without putting its financial interests ahead of the interests of a retail customer. Form CRS requires SEC-registered investment advisers ("RIAs") and broker-dealers to deliver to retail investors a succinct, plain English summary about the relationship and services provided by the firm and the required standard of conduct associated with the relationship and services. Regulation BI heightens the standard of care for broker-dealers when making investment recommendations and imposes disclosure, conduct and policy and procedural obligations that could impact the compensation our wealth management line of business and its representatives receive for selling certain types of products, particularly those that offer different compensation across different share classes (such as mutual funds and variable annuities). In addition, Regulation BI prohibits a broker-dealer and its associated persons from using the term "adviser" or "advisor" if the broker-dealer is not an RIA or the associated person is not a supervised person of an RIA. Furthermore, the U.S. Department of Labor as well as several states have proposed regulations or taken other actions pertaining to conduct standards for investment advisers and broker-dealers that may result in additional requirements related to our business.

Changing Regulatory Environment. The regulatory environment in which the Hilltop Broker-Dealers (including Hilltop Securities Asset Management, LLC) operate is subject to frequent change. Our business, financial condition and operating results may be adversely affected as a result of new or revised legislation or regulations imposed by the U.S. Congress, the SEC, FINRA or other U.S. and state governmental and regulatory authorities. The business, financial condition and operating results of the Hilltop Broker-Dealers also may be adversely affected by changes in the interpretation and enforcement of existing laws and rules by these governmental and regulatory authorities. In the current era of heightened regulation of financial institutions, the Hilltop Broker-Dealers can expect to incur increasing compliance costs, along with the industry as a whole.

Mortgage Origination

PrimeLending and the Bank are subject to a number of laws, rules and regulations with respect to originating, processing, selling and servicing mortgage loans and the issuance and sale of mortgage-backed securities, including regulations and rules issued by the CFPB, FHA, VA, FNMA, FHLMC and GNMA. Those rules and regulations, among other things, prohibit discrimination and establish underwriting guidelines, which include provisions for inspections and appraisals, require credit reports on prospective borrowers and fix maximum loan amounts, and, with respect to VA loans, fix maximum interest rates. Mortgage origination activities are subject to, among others, the Equal Credit Opportunity Act, Fair Housing Act, Federal Truth-in-Lending Act, Secure and Fair Enforcement of Mortgage Licensing Act, Home Mortgage Disclosure Act, Fair Credit Reporting Act and the Real Estate Settlement Procedures Act and the regulations promulgated thereunder which, among other things, prohibit discrimination and require the disclosure of certain basic information to borrowers concerning credit terms and settlement costs. PrimeLending and the Bank are also subject to the Dodd-Frank Act, which includes provisions regarding a customer's ability to repay, restrictions on variable-rate lending, loan officers' compensation, risk retention, and disclosure requirements. The Dodd-Frank Act also clarifies that applicable state laws, rules and regulations related to the origination, processing, selling and servicing of mortgage loans continue to apply to PrimeLending. PrimeLending and the Bank are also subject to regulation by the Texas Department of Banking with respect to, among other things, the establishment of maximum origination fees on certain types of mortgage loan products.

The regulatory environment related to mortgage origination, processing, selling and servicing is subject to frequent change. Our business, financial condition and operating results may be adversely affected as a result of new or revised legislation or regulations. Any additional regulatory requirements affecting our mortgage origination operations will result in increased compliance costs and may impact revenue.

Item 1A. Risk Factors.

The following discussion sets forth what management currently believes are the material regulatory, market and economic, liquidity, legal and business and operational risks and uncertainties that could impact our business, results of operations and financial condition. The occurrence of any of the following risks, as well as other risks and uncertainties, including those not currently known to us, could negatively impact our business, results of operations and financial condition and could cause the trading price of our common stock to decline and you could lose all or part of your investment.

Risks Related to our Business

Our allowances for credit losses for loans and debt securities may prove inadequate or we may be negatively affected by credit risk exposures. Also, future additions to our allowance for credit losses will reduce our future earnings.

As a lender, we are exposed to the risk that we could sustain losses because our borrowers may not repay their loans in accordance with the terms of their loans. We maintain allowances for credit losses for loans and debt securities to provide for defaults and nonperformance, which represent an estimate of expected losses over the remaining contractual lives of the loan and debt security portfolios. This estimate is the result of our continuing evaluation of specific credit risks and loss experience, current loan and debt security portfolio quality, present economic, political and regulatory conditions, industry concentrations, reasonable and supportable forecasts for future conditions and other factors that may indicate losses. The determination of the appropriate levels of the allowances for loan and debt security credit losses inherently involves a high degree of subjectivity and judgment and requires us to make estimates of current credit risks and future trends, all of which may undergo material changes. Generally, our nonperforming loans and other real estate owned ("OREO") reflect operating difficulties of individual borrowers and weaknesses in the economies of the markets we serve.

If management's assumptions and projections prove to be incorrect, however, the estimate of fair value may be higher than the actual fair value and we may suffer losses in excess of those estimated. Further, the allowance for credit losses established for new loans may prove to be inadequate to cover actual losses, especially if economic conditions worsen.

While Bank management endeavors to estimate the allowance to cover anticipated losses over the lives of our loan and debt security portfolios, no underwriting and credit monitoring policies and procedures that we could adopt to address credit risk could provide complete assurance that we will not incur unexpected losses. These losses could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, federal regulators periodically evaluate the adequacy of our allowance for credit losses and may require us to increase our provision for credit losses or recognize further loan charge-offs based on judgments different from those of Bank management. Any such increase in our provision for (reversal of) credit losses or additional loan charge-offs could have a material adverse effect on our results of operations and financial condition.

Adverse developments affecting the financial services industry, such as bank failures or concerns involving liquidity, may have a material effect on the Company's operations.

Historically, high-profile bank failures have increased market uncertainty and concerns regarding the liquidity adequacy of the banking sector as a whole. During these times, the speed and ease with which news and social media commentary spread led depositors to withdraw or attempt to withdraw their funds from these and other financial institutions and caused the stock prices of many financial institutions to become volatile. Although we were not directly affected by these historical bank failures, in the future, events such as these bank failures or negative news or the public perception thereof, could have an adverse effect on our financial condition and results of operations, either directly or through an adverse impact on certain of our customers.

Our operational systems and networks have been, and will continue to be, subject to an increasing risk of continually evolving cybersecurity or other technological risks, which could result in a loss of customer business, financial liability, regulatory penalties, damage to our reputation or the disclosure of confidential information.

We rely heavily on communications and information systems to conduct our business and maintain the security of confidential information and complex transactions, which subjects us to an increasing risk of cyber incidents and threats of cyber-attacks from these activities due to a combination of new technologies and the increasing use of the Internet to conduct financial transactions, including the usage of artificial intelligence and automation, as well as a potential failure, interruption or breach in the security of these systems, including those that could result from attacks or planned changes, upgrades and maintenance of these systems. Such cyber incidents, which are becoming increasingly sophisticated through the use of techniques and tools-including artificial intelligence that circumvent security controls, evade detection and remove forensic evidence, or other disruption or failure in our information systems, could result in failures or disruptions in our customer relationship management, securities trading, general ledger, deposits, computer systems, electronic underwriting servicing or loan origination systems; or unauthorized disclosure of confidential and non-public information maintained within our systems. We also utilize relationships with third parties to aid in a significant portion of our information systems, communications, data management and transaction processing. These third parties with which we do business may also be sources of cybersecurity or other technological risks, including operational errors, system interruptions or breaches, unauthorized disclosure of confidential information and misuse of intellectual property, and have experienced cyber-attacks. Evolving technologies and the increased use of artificial intelligence and automation by third parties further increase the risk of cyber-attacks and threats of cyber-attacks against us or those third parties that we depend upon. If our third-party service providers encounter any of these issues, we could be exposed to disruption of service, reputational damages, and litigation risk, any of which could have a material adverse effect on our business.

During the second quarter in 2023, a third-party vendor of the Bank confirmed that data specific to the Bank's customers was likely obtained in a security incident targeting the vendor's instance of the MOVEit Transfer Application. As a result of this, an unauthorized party likely obtained information in the vendor's possession about substantially all of the Bank's customers, including social security numbers and account numbers. Hilltop Securities was notified by the same vendor that certain of its data was also likely obtained in the incident; however, based on the review conducted to date, we do not have indication that protected or confidential information was present within the information obtained related to Hilltop Securities. Given the widespread use of the MOVEit Transfer Application, additional vendors of ours may have been impacted. We have incurred, and may continue to incur, expenses related to this incident, and we remain subject to risks and uncertainties as a result of the incident, including litigation and additional regulatory scrutiny.

The increased prevalence of cybersecurity incidents and threats thereof across a range of industries has resulted in increased legislative and regulatory scrutiny over cybersecurity and calls for additional data privacy laws and regulations at both the state and federal levels. For example, in 2018, the State of California adopted the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act ("CCPA") in 2023, which imposes requirements on companies operating in California and provides consumers with a private right of action if covered companies suffer a data breach related to their failure to implement reasonable security measures. Other state privacy laws with similarities to the CCPA, such as the Texas Data Privacy and Security Act, the Colorado Privacy Act, the Connecticut Data Privacy Act, the Oregon Consumer Data Privacy Act, the Montana Consumer Data Privacy Act, the Utah Consumer Privacy Act, the Virginia Consumer Data Privacy Act, came into force in 2023 and 2024. Nineteen states have enacted comprehensive consumer data privacy laws, all of which will have come into force by 2026. Additionally, under the Gramm-Leach-Bliley Act of 1999 and Regulation S-P, financial institutions are required to protect the privacy and security of non-public personal information. The SEC adopted amendments to Regulation S-P, effective starting on December 3, 2025 that expand the requirements imposed on covered financial institutions, including by requiring the adoption of an incident response program, requiring covered institutions to provide notice in the event of certain data breaches within a specified time period, and imposing additional requirements regarding the engagement and oversight of service providers.

These newly effective, upcoming and evolving laws and regulations could result in increased operating expenses or increase our exposure to the risk of litigation or regulatory inquiries or proceedings.

Although we devote significant resources to maintain and regularly upgrade our systems and networks to safeguard critical business applications, there is no guarantee that these measures or any other measures can provide absolute security. Our computer systems, software and networks may be adversely affected by cyber incidents such as unauthorized access; loss or destruction of data (including confidential client information); account takeovers; unavailability of service; computer viruses or other malicious code; cyber-attacks; ransomware; cyber extortions; and other events. In addition, our protective measures may not promptly detect intrusions, and we may experience losses or incur costs or other damage related to intrusions that go undetected or go undetected for significant periods of time, at levels that adversely affect our financial results or reputation. Further, because the methods used to cause cyber-attacks change frequently, or in some cases cannot be recognized until launched, we may be unable to implement preventative measures or proactively address these methods until they are discovered. Cyber threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. Additional challenges are posed by external extremist parties, including foreign state actors, in some circumstances, as a means to promote political ends. If one or more of these events occurs, it could result in the disclosure of confidential client or customer information, damage to our reputation with our clients, customers and the market, customer dissatisfaction, additional costs such as repairing systems or adding new personnel or protection technologies for us and our customers, including credit monitoring, regulatory penalties, fines, remediation costs, exposure to litigation and other financial losses to both us and our clients and customers. Such events could also cause interruptions or malfunctions in our operations. We maintain cyber risk insurance, but this insurance may not be sufficient to cover all of our losses from any future breaches of our systems.

We continue to evaluate our cybersecurity program and will consider incorporating new practices as necessary to meet the expectations of regulatory agencies in light of such cybersecurity guidance and regulatory actions and settlements for cybersecurity-related failures and violations by other industry participants. Such procedures include management-level engagement and corporate governance, risk management and assessment, technical controls, incident response planning, vulnerability testing, vendor management, intrusion detection monitoring, patch management and staff training. Even if we implement these procedures, however, we cannot assure you that we will be fully protected from a cybersecurity incident, the occurrence of which could adversely affect our reputation and financial condition.

Our banking segment is subject to risk arising from conditions in the commercial real estate market and may be adversely affected by weaknesses in the commercial real estate market.

As of December 31, 2025, commercial real estate loans comprised approximately 41% of our banking segment's loan portfolio. Commercial real estate loans generally involve a greater degree of credit risk than residential real estate loans because they typically have larger balances and are more affected by adverse conditions in the economy. Because

payments on loans secured by commercial real estate often depend upon the successful operation and management of the properties by third-party lessees and the businesses which operate from within them, repayment of such loans may be affected by factors outside the borrower's control, such as adverse conditions in the real estate market or the economy or changes in government regulations. A failure by the banking segment to have adequate risk management policies, procedures and controls could result in an increased rate of delinquencies in, and increased losses from, our portfolio, which, accordingly, could have a material adverse effect on the Company's business, financial condition and results of operations.

Our business and results of operations may be adversely affected by unpredictable economic, market and business conditions.

Our business and results of operations are affected by general economic, market and business conditions. The credit quality of our loan portfolio necessarily reflects, among other things, the general economic conditions in the areas in which we conduct our business. Our continued financial success depends to a degree on factors beyond our control, including:

- national and local economic conditions, such as the level and volatility of short-term and long-term interest rates, inflation, home prices, unemployment and under-employment levels, energy prices, bankruptcies, household income and consumer spending;
- the availability and cost of capital and credit;
- incidence of customer fraud; and
- federal, state and local laws affecting these matters.

The deterioration of any of these conditions, as we have experienced with past economic downturns, could adversely affect our consumer and commercial businesses and securities portfolios, our level of loan charge-offs and provision for credit losses, the carrying value of our deferred tax assets, the investment portfolio of our insurance segment, our capital levels and liquidity, our securities underwriting business and our results of operations.

Several factors could pose risks to the financial services industry, including tightening monetary policies by central banks, rising energy prices, trade wars, restrictions and tariffs (and uncertainty related thereto); slowing growth in emerging economies; geopolitical matters, including international political unrest, disturbances and conflicts; acts of war and terrorism; pandemics; changes in interest rates; regulatory uncertainty; continued infrastructure deterioration; low oil prices; disruptions in global or national supply chains; and natural disasters. Each of these factors may adversely affect our fees and costs.

Over the last several years, there have been several instances where there has been uncertainty regarding the ability of Congress and the President collectively to reach agreement on federal budgetary and spending matters. A period of failure to reach agreement on these matters, particularly if accompanied by an actual or threatened government shutdown, may have an adverse impact on the U.S. economy. Additionally, a prolonged government shutdown may inhibit our ability to evaluate borrower creditworthiness and originate and sell certain government-backed loans.

Our business is subject to interest rate risk, and fluctuations in interest rates may adversely affect our earnings, capital levels and overall results.

The majority of our assets are monetary in nature and, as a result, we are subject to significant risk from changes in interest rates. Between August 2019 and March 2020, the Federal Open Market Committee of the Federal Reserve Board decreased its target range for the federal funds rate by 200 basis points, while between March 2022 and December 2023, it raised the target range for the federal funds rate by 525 basis points. Between September 2024 and December 2025, the Federal Reserve Board decreased its target range for the federal funds rate by 175 basis points. Changes in interest rates have in the past and may continue to impact our net interest income in our banking segment in the future as well as the valuation of our assets and liabilities in each of our segments. Earnings in our banking segment are significantly dependent on our net interest income, which is the difference between interest income on interest-earning assets, such as loans and securities, and interest expense on interest-bearing liabilities, such as deposits and borrowings. We expect to periodically experience "gaps" in the interest rate sensitivities of our banking segment's assets and liabilities, meaning

that either our interest-bearing liabilities will be more sensitive to changes in market interest rates than our interest-earning assets, or vice versa. In either event, if market interest rates should move contrary to our position, this "gap" may work against us, and our results of operations and financial condition may be adversely affected. Given the potential for an adverse impact on our net interest income associated with interest rate cycle transitions, we periodically evaluate our current "gap" position and determine whether a repositioning of the banking segment's balance sheet is appropriate. Asymmetrical changes in interest rates, such as if short-term rates increase or decrease at a faster rate than long-term rates, can affect the slope of the yield curve. A continued inversion of the yield curve, as measured by the difference between 10-year U.S. Treasury bond yields and 3-month yields, could adversely impact the net interest income of our banking segment as the spread between interest-earning assets and interest-bearing liabilities becomes further compressed.

As of December 31, 2025, approximately 61% of our loans were advanced to our customers on a variable or adjustable-rate basis and approximately 39% of our loans were advanced to our customers on a fixed-rate basis. As a result, an increase in interest rates could result in increased loan defaults, foreclosures and charge-offs and could necessitate further increases to the allowance for credit losses, any of which could have a material adverse effect on our business, financial condition or results of operations. Alternatively, a decrease in interest rates could negatively impact our margins and profitability. Certain of our variable rate loans only provide for resets of interest rates periodically, which can result in significant periods of time between resets in loan rates, which can negatively impact our margins and profitability. Further, a portion of our adjustable rate loans have interest rate floors at or above the loan's contractual interest rate. As of December 31, 2025, approximately 10% of our total loans' rates are floored, with most expected to reprice to the loan's contractual rate at the next reset date. The inability of our loans to adjust downward can contribute to increased income in periods of declining interest rates, although this result is subject to the risks that borrowers may refinance these loans during periods of declining interest rates. Also, when loans are at their floors, there is a further risk that our interest income may not increase as rapidly as our cost of funds during periods of increasing interest rates which could have a material adverse effect on our results of operations.

If we need to offer higher interest rates on checking accounts to maintain current clients or attract new clients, our interest expense will increase, perhaps materially. Furthermore, if we fail to offer interest in a sufficient amount to keep these demand deposits, our core deposits may be reduced, which would require us to obtain funding in other ways or risk slowing our future asset growth.

An increase in the absolute level of interest rates may also, among other things, adversely affect the demand for loans and our ability to originate loans. In particular, if mortgage interest rates increase, the demand for residential mortgage loans and the refinancing of residential mortgage loans will likely decrease, which will have an adverse effect on our income generated from mortgage origination activities. Conversely, a decrease in the absolute level of interest rates, among other things, may lead to prepayments in our loan and mortgage-backed securities portfolios as well as increased competition for deposits. Accordingly, changes in the general level of market interest rates may adversely affect our net yield on interest-earning assets, loan origination volume and our overall results.

Our broker-dealer segment holds securities, principally fixed-income bonds, to support sales, underwriting and other customer activities. If interest rates increase, the value of debt securities held in the broker-dealer segment's inventory would decrease. Rapid or significant changes in interest rates could adversely affect the segment's bond sales, trading and underwriting activities. Further, the profitability of our margin and stock lending businesses depends to a great extent on the difference between interest income earned on loans and investments of customer cash balances and the interest expense paid on customer cash balances and borrowings.

In addition, we hold securities that may be sold in response to changes in market interest rates, changes in securities' prepayment risk, increases in loan demand, general liquidity needs and other similar factors. Such securities are classified as available for sale and are carried at estimated fair value, which may fluctuate with changes in market interest rates. The effects of an increase in market interest rates may result in a decrease in the value of our available for sale investment portfolio.

Market interest rates are affected by many factors outside of our control, including inflation, recession, unemployment, money supply, political factors, international disorder and instability in domestic and foreign financial markets. We may

not be able to accurately predict the likelihood, nature and magnitude of such changes or how and to what extent such changes may affect our business. We also may not be able to adequately prepare for, or compensate for, the consequences of such changes. Any failure to predict and prepare for changes in interest rates, or adjust for the consequences of these changes, may adversely affect our earnings and capital levels and overall results of operations and financial condition.

Inflationary pressures and rising prices may affect our results of operations and financial condition.

Inflation rose sharply at the end of 2021 and continued rising into 2025 at elevated levels. While there has been moderation of inflation compared to recent years, the overall rate of inflation remains above the U.S. Federal Reserve's target levels. Small to medium-sized businesses may be impacted more during periods of high inflation as they are not able to leverage economics of scale to mitigate cost pressures compared to larger businesses. Consequently, the ability of our business customers to repay their loans may deteriorate, and in some cases this deterioration may occur quickly, which would adversely impact our results of operations and financial condition. Similarly, rising interest rates will negatively impact our mortgage business by making home mortgages more expensive for home buyers and by making mortgage refinancing transactions less likely, which would adversely impact our results of operations and financial condition in PrimeLending. Furthermore, a prolonged period of inflation could cause wages and other costs to Hilltop and its subsidiaries to increase, which could adversely affect our results of operations and financial condition.

Our mortgage origination business is subject to fluctuations based upon seasonal and other factors and, as a result, our results of operations for any given quarter may not be indicative of the results that may be achieved for the full fiscal year.

Our mortgage origination business is subject to several variables that can impact loan origination volume, including seasonal and interest rate fluctuations. We typically experience increased loan origination volume from purchases of homes during the second and third calendar quarters, when more people tend to move and buy or sell homes. In addition, an increase in the general level of interest rates may, among other things, adversely affect the demand for mortgage loans and our ability to originate mortgage loans. In particular, if mortgage interest rates increase, the demand for residential mortgage loans and the refinancing of residential mortgage loans will likely decrease, which will have an adverse effect on our mortgage origination activities. Conversely, a decrease in the general level of interest rates, among other things, may lead to increased competition for mortgage loan origination business.

As a result of these variables, our results of operations for any single quarter are not necessarily indicative of the results that may be achieved for a full fiscal year.

We are heavily reliant on technology, and a failure to effectively implement new technological solutions or enhancements to existing systems or platforms could adversely affect our business operations and the financial results of our operations.

Like most financial services companies, we significantly depend on technology to deliver our products and services and to otherwise conduct business. The financial services industry is continually undergoing rapid technology change with frequent introductions of new technology-driven products and services, including increased usage of artificial intelligence and automation. To remain technologically competitive and operationally efficient, we have either begun the significant investment in or have plans to invest in new technological solutions, substantial core system upgrades and other technology enhancements within each of our operating segments and corporate. Many of these solutions and enhancements have a significant duration, include phased implementation schedules, are tied to critical systems, and require substantial internal and external resources for design and implementation. Many of our competitors have greater resources to develop these and other new technologies without reliance on third-party vendors or developers, which can reduce their costs and exposure to third-party risks, which could put us at a competitive disadvantage.

Additionally, any implementation by us of certain new technologies, such as artificial intelligence, machine learning and other large language models and similar technologies, can expose us to new or increased operational risks, including risks related to our system of internal controls. The implementation of these new technologies may have unintended consequences due to their limitations or failure to use and implement them effectively. Although we take steps to mitigate

the risks and uncertainties associated with these solutions and initiatives, we may encounter significant adverse developments in the completion and implementation of these initiatives.

The ultimate effect of any adverse development could damage our reputation, result in a loss of customer business, subject us to additional regulatory scrutiny, or expose us to civil litigation and possible financial liability, any of which could materially affect us, including our control environment, operating efficiency, and results of operations.

Our geographic concentration may magnify the adverse effects and consequences of any regional or local economic downturn.

We conduct our banking operations primarily in Texas. At December 31, 2025, an aggregate of 76% of the real estate loans in our loan portfolio, and included within the commercial real estate and 1-4 family residential portfolio segments, were secured by properties in Texas. Specifically, 32%, 17%, 6% and 5% of the real estate loans were secured by properties located within the Dallas-Fort Worth, Austin, Houston and San Antonio markets, respectively. Substantially all of these loans are made to borrowers who live and conduct business in Texas. Accordingly, economic conditions in Texas have a significant impact on the ability of the Bank's customers to repay loans, the value of the collateral securing loans, our ability to sell the collateral upon any foreclosure, and the stability of the Bank's deposit funding sources. Natural disasters, such as Hurricane Harvey in 2017 and Winter Storm Uri in 2021, may also have an adverse impact on the foregoing conditions. Further, low crude oil prices may have a more profound effect on the economy of energy-dominant states such as Texas. The Bank has loans extended to businesses that depend on the energy industry including those within the exploration and production, oilfield services, pipeline construction, distribution and transportation sectors. If crude oil prices were to be depressed for an extended period, the Bank could experience weaker energy loan demand and increased losses within its energy and Texas-related loan portfolios.

In addition, mortgage origination fee income is dependent to a significant degree on economic conditions in Texas and California. During 2025, 30.2% and 7.8% of our mortgage loans originated (by dollar volume) were collateralized by properties located in Texas and California, respectively. Also, in our broker-dealer segment, 76% of public finance services net revenues were from entities located in Texas, and 88% of retail brokerage service net revenues were generated through locations in Texas and California. Any regional or local economic downturn that affects Texas or, to a lesser extent, California, whether caused by recession, inflation, unemployment, changing oil prices, natural disasters, supply chain disruptions or other factors, may affect us and our profitability more significantly and more adversely than our competitors that are less geographically concentrated, and could have a material adverse effect on our results of operations and financial condition.

An adverse change in real estate market values may result in losses in our banking segment and otherwise adversely affect our profitability.

At December 31, 2025, 66% of the loan portfolio of our banking segment was comprised of loans with commercial or residential real estate as the primary component of collateral. The real estate collateral in each case provides a source of repayment in the event of default by the borrower and may deteriorate in value during the time the credit is extended. A decline in commercial or residential real estate values generally, and in Texas specifically, could impair the value of the collateral underlying a significant portion of the Bank's loan portfolio and our ability to sell the collateral upon any foreclosure. In the event of a default with respect to any of these loans, the amounts we receive upon sale of the collateral may be insufficient to recover the outstanding principal and interest on the loan. As a result, our results of operations and financial condition may be materially adversely affected by a decrease in real estate market values.

Our risk management processes may not fully identify and mitigate exposure to the various risks that we face, including interest rate, credit, liquidity and market risk.

Our risk management techniques and strategies (as well as those available to the market generally) may not be fully effective in mitigating our risk exposure in all economic market environments or against all types of risk. For example, we might fail to identify or anticipate particular risks, or the systems that we use, and that are used within our business segments generally, may not be capable of identifying certain risks. Certain of our strategies for managing risk are based upon observed historical market behavior. We apply statistical and other tools to these observations to quantify our risk exposure. Any failures in our risk management techniques and strategies to accurately identify and quantify our risk

exposure could limit our ability to manage risks. In addition, any risk management failures could cause our losses to be significantly greater than the historical measures indicate. Further, our quantified modeling does not take all risks into account. As a result, we also take a qualitative approach in reducing our risk, although our qualitative approach to managing those risks could also prove insufficient, exposing us to material unanticipated losses.

Our hedging strategies may not be successful in mitigating our exposure to interest rate risk.

We use derivative financial instruments, primarily consisting of interest rate swaps, to limit our exposure to interest rate risk within the banking and mortgage origination segments. No hedging strategy can completely protect us, and the derivative financial instruments we elect may not have the effect of reducing our interest rate risk. Poorly designed strategies, improperly executed and documented transactions, inaccurate assumptions or the failure of a counterparty to fulfill its obligations could actually increase our risks and losses. In addition, hedging strategies involve transaction and other costs. Our hedging strategies and the derivatives that we use may not adequately offset the risks of interest rate volatility and could result in or magnify losses, which could have an adverse effect on our financial condition and results of operations.

Our bank lending, margin lending, stock lending, securities trading and execution and mortgage purchase businesses are all subject to credit risk.

We are exposed to credit risk in all areas of our business. The Bank is exposed to the risk that its loan customers may not repay their loans in accordance with their terms, the collateral securing the loans may be insufficient, or its credit loss reserve may be inadequate to fully compensate the Bank for the outstanding balance of the loan plus the costs to dispose of the collateral. Further, our mortgage warehousing activities subject us to credit risk during the period between funding by the Bank and when the mortgage company sells the loan to a secondary investor.

Our broker-dealer business is subject to credit risk if securities prices decline rapidly because the value of our collateral could fall below the amount of the indebtedness it secures. In rapidly appreciating markets, credit risk increases due to short positions. Our securities lending business as well as our securities trading and execution businesses subject us to credit risk if a counterparty fails to perform or if collateral securing its obligations is insufficient. In securities transactions, we are subject to credit risk during the period between the execution of a trade and the settlement by the customer.

Significant failures by our customers, including correspondents, or clients to honor their obligations, or increases in their rates of default, together with insufficient collateral and reserves, could have a material adverse effect on our business, financial condition, results of operations or cash flows.

We depend on our computer and communications systems and an interruption in service would negatively affect our business.

Our businesses rely on electronic data processing and communications systems. The effective use of technology allows us to better serve customers and clients, increases efficiency and reduces costs. Our continued success will depend, in part, upon our ability to successfully maintain, secure and upgrade the capability of our systems, our ability to address the needs of our clients by using technology to provide products and services that satisfy their demands and our ability to retain skilled information technology employees. Significant malfunctions or failures of our computer systems, computer security, software or any other systems in the trading process (e.g., record retention and data processing functions performed by third parties, and third-party software, such as Internet browsers) could cause delays in customer trading activity. Such delays could cause substantial losses for customers and could subject us to claims from customers for losses, including litigation claiming fraud or negligence. In addition, if our computer and communications systems fail to operate properly, regulations would restrict our ability to conduct business. Any such failure could prevent us from collecting funds relating to customer and client transactions, which would materially impact our cash flows. Any computer or communications system failure or decrease in computer system performance that causes interruptions in our operations could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Climate change and certain regulations and responses thereto could adversely affect our business and performance, including indirectly through impacts on our customers.

Concerns over the long-term impacts of climate change have led, and will continue to lead, to governmental efforts in the United States to mitigate those impacts. Consumers and businesses also may change their behavior as a result of these concerns. We and our customers will need to respond to new laws and regulations, as well as consumer and business preferences resulting from climate change concerns. We and our customers may face cost increases, asset value reductions and operating process changes. The impact on our customers will likely vary depending on their specific attributes, including reliance on or role in carbon intensive activities. Within Texas, where our banking operations are primarily located and in which we have a significant presence for our broker-dealer and mortgage origination segments, a shift in the current state of the energy industry reflecting a transition from carbon intensive activities to low-carbon or "green" technologies and processes could have a more profound impact on our customers, consumer behavior and the economy. Among the impacts to us could be a drop in demand for our products and services, particularly in certain sectors. In addition, we could face reductions in creditworthiness on the part of some customers or in the value of assets securing loans. Our efforts to take these risks into account in making lending and other decisions may not be effective in protecting us from the negative impact of new laws and regulations or changes in consumer or business behavior.

We are heavily dependent on dividends from our subsidiaries.

We are a financial holding company engaged in the business of managing, controlling and operating our subsidiaries. Hilltop conducts limited material business other than activities incidental to holding stock in PCC, the Bank and Securities Holdings. As a result, we rely substantially on the profitability of, and dividends from, these subsidiaries to pay our operating expenses and to pay interest on our debt obligations and to pay dividends to our stockholders. PCC, the Bank and Securities Holdings are subject to significant regulatory restrictions limiting their ability to declare and pay dividends to us. Accordingly, if the Bank and Securities Holdings are unable to make cash distributions to us, then we may be unable to satisfy our operating expense obligations or make interest payments on our debt obligations or pay dividends to our stockholders.

Our broker-dealer business is subject to various risks associated with the securities industry.

Our broker-dealer business is subject to uncertainties that are common in the securities industry. These uncertainties include:

- intense competition in the securities industry;
- the volatility of domestic and international financial, bond and stock markets;
- extensive governmental regulation;
- litigation; and
- substantial fluctuations in the volume and price level of securities.

As a result of such uncertainties, the revenues and operating results of our broker-dealer segment may vary significantly from quarter to quarter and from year to year. Unfavorable financial or economic conditions could reduce the number and size of transactions in which we provide financial advisory, underwriting and other services. Disruptions in fixed income and equity markets could lead to a decline in the volume of transactions executed for customers and, therefore, to declines in revenues from commissions and clearing services. In addition, the Hilltop Broker-Dealers are operating subsidiaries of Hilltop, which means that their activities are limited to those that are permissible for subsidiaries of a bank holding company.

Market fluctuations could adversely impact our broker-dealer business.

Our broker-dealer segment is subject to risks as a result of fluctuations in the securities markets. Our securities trading and underwriting activities involve the purchase and sale of securities as a principal, which subjects our capital to significant risks. Market conditions could limit our ability to sell securities purchased or to purchase securities sold in such transactions. If interest rates increase, the value of debt securities we hold in our inventory would decrease. Rapid or significant market fluctuations could adversely affect our business, financial condition, results of operations and cash flow.

In addition, during periods of market disruption, it may be difficult to value certain assets if comparable sales become less frequent or market data becomes less observable. Certain classes of assets or loan collateral that were in active markets with significant observable data may become illiquid due to the current financial environment. In such cases, asset valuations may require more estimation and subjective judgment.

Our investment advisory business may be affected if our investment products perform poorly.

Poor investment returns and declines in client assets in our investment advisory business, due to either general market conditions or underperformance (relative to our competitors or to benchmarks) by investment products, may affect our ability to retain existing assets, prevent clients from transferring their assets out of products or their accounts, or inhibit our ability to attract new clients or additional assets from existing clients. Any such poor performance could adversely affect our investment advisory business and the advisory fees that we earn on client assets.

Our existing correspondents may choose to perform their own clearing services or move their clearing business to one of our competitors or exit the business.

As the operations of our correspondents grow, our correspondents may consider the option of performing clearing functions themselves, in a process referred to as "self-clearing." The option to convert to self-clearing operations may become more attractive as the transaction volume of a broker-dealer grows. The cost of implementing the necessary infrastructure may eventually be offset by the elimination of per transaction processing fees that would otherwise be paid to a clearing firm. Additionally, performing their own clearing services allows self-clearing broker-dealers to retain their customers' margin balances, free credit balances and securities for use in margin lending activities. Furthermore, our correspondents may decide to use the clearing services of one of our competitors or exit the business. Any significant loss of correspondents due to self-clearing, moving their clearing business to a competitor or exiting the business could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Several of our broker-dealer segment's product lines rely on favorable tax treatment, and changes in federal tax law could impact the attractiveness of these products to our customers.

We offer a variety of services and products, such as individual retirement accounts and municipal bonds, which rely on favorable federal income tax treatment to be attractive to our customers. Should favorable tax treatment of these products be eliminated or reduced, sales of these products could be materially impacted, which could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Our mortgage origination segment is subject to investment risk on loans that it originates.

We intend to sell, and not hold for investment, substantially all residential mortgage loans that we originate through PrimeLending. At times, however, we may originate a loan or execute an interest rate lock commitment ("IRLC") with a customer pursuant to which we agree to originate a mortgage loan on a future date at an agreed-upon interest rate without having identified a purchaser for such loan. An identified purchaser may also decline to purchase a loan for a variety of reasons. In these instances, we will bear interest rate risk on an IRLC until, and unless, we are able to find a buyer for the loan underlying such IRLC and the risk of investment on a loan until, and unless, we are able to find a buyer for such loan. In addition, in the event of a breach of any representation or warranty concerning a loan, an agency, investor or other third-party could, among other things, require us to repurchase the full amount of the loan or seek indemnification for losses from us, even if the loan is not in default. Further, if a customer defaults on a mortgage payment shortly after the loan is originated, the purchaser of the loan may have a put right, whereby the purchaser can require us to repurchase the loan at the full amount that it paid. During periods of market downturn, we may choose to hold mortgage loans when the identified purchasers have declined to purchase such loans because we may not obtain an acceptable substitute bid price for such loan. The failure of mortgage loans that we hold on our books to perform adequately could have a material adverse effect on our financial condition, liquidity and results of operations. Moreover, if a property securing a mortgage loan on which we own the servicing rights is damaged, including from flooding, we may be responsible for repairs for uninsured damage.

If we fail to develop, implement and maintain an effective system of internal control over financial reporting, the accuracy and timing of our financial reporting in future periods may be adversely affected.

The Sarbanes-Oxley Act and related rules and regulations require that management report annually on the effectiveness of our internal control over financial reporting and assess the effectiveness of our disclosure controls and procedures on a quarterly basis. Effective internal controls are necessary for us to provide timely and reliable financial reports and effectively prevent fraud. We have identified control deficiencies that constituted a material weakness in our internal controls and procedures in the past and may experience a material weakness in future years. If we fail to maintain adequate internal controls, our financial statements may not accurately reflect our financial condition. Any material misstatements could require a restatement of our consolidated financial statements, cause us to fail to meet our reporting obligations or cause investors to lose confidence in our reported financial information, leading to a decline in the market value of our securities and we could be subject to sanctions or investigations by the SEC or other regulatory authorities.

We ultimately may write-off goodwill and other intangible assets resulting from business combinations.

As a result of purchase accounting in connection with acquisitions, our consolidated balance sheet at December 31, 2025, included goodwill of $267.4 million and other intangible assets, net of accumulated amortization, of $5.6 million. On an ongoing basis, we evaluate whether facts and circumstances indicate any impairment of value of intangible assets. As circumstances change, we may not realize the value of these intangible assets. If we determine that a material impairment has occurred, we will be required to write-off the impaired portion of intangible assets, which could have a material adverse effect on our results of operations in the period in which the write-off occurs. We have goodwill and intangibles balances recorded in connection with acquisitions in our banking, broker-dealer and mortgage origination segments, which we periodically review for impairment. These assets are sensitive to any significant changes in related results of operations of the underlying businesses.

In light of continuing macroeconomic challenges in the mortgage industry, including tight housing inventories and mortgage interest rate levels, our mortgage origination segment experienced lower-than-forecasted operating results during 2025. Given the potential impacts of the operating performance of our reporting segments and overall economic conditions, actual results may differ materially from our current estimates as the scope of such impacts evolves or if the duration of business disruptions is longer than currently anticipated.

We further considered the amount by which fair value exceeded book value in the most recent quantitative analysis and sensitivities performed. At the conclusion of the annual assessment, we determined that as of October 1, 2025 it was more likely than not that the fair value of goodwill and other intangible assets exceeded their respective carrying values. We continue to monitor developments regarding future operating performance of our reportable business segments, overall economic conditions, market capitalization, and any other triggering events or circumstances that may indicate an impairment in the future.

To the extent future operating performance of our reporting segments remains challenged and below forecasted projections, significant assumptions such as expected future cash flows or the risk-adjusted discount rate used to estimate fair value are adversely impacted, or upon the occurrence of what management would deem to be a triggering event that could, under certain circumstances, cause us to perform impairment tests on our goodwill and other intangible assets, an impairment charge may be recorded for that period. In the event that we conclude that all or a portion of our goodwill and other intangible assets are impaired, a non-cash charge for the respective amount of such impairment would be recorded to earnings. Such a charge would have no impact on tangible capital or regulatory capital.

The value of our mortgage servicing rights portfolio fluctuates due to changes in interest rates, which may increase the volatility of our earnings.

As a result of our mortgage servicing business, we have a portfolio of MSR assets, which we grew to historically elevated levels before selling the vast majority of our MSR assets, and at December 31, 2025, the mortgage origination segment's MSR asset had a fair value of $17.5 million. An MSR is the right to service a mortgage loan – collect principal, interest and escrow amounts – for a fee. We measure and carry all of our residential MSR assets using the fair value measurement method. Fair value is determined as the present value of estimated future net servicing income, calculated based on a

number of variables, including assumptions about the likelihood of prepayment by borrowers, and as a result, the value of our MSR assets fluctuates due to changes in interest rates, which may increase volatility of earnings.

The rising interest rate environment that began in 2022 and continued through 2023 resulted in an increased valuation of the MSR asset, however one of the principal risks associated with MSR assets is that in a declining interest rate environment, they will likely lose a substantial portion of their value as a result of higher than anticipated prepayments. Moreover, if prepayments are greater than expected, the cash we receive over the life of the mortgage loans would be reduced. The mortgage origination segment uses derivative financial instruments, including U.S. Treasury bond futures and options, as a means to mitigate market risk associated with MSR assets. However, no hedging strategy can protect us completely, and hedging strategies may fail because they are improperly designed, improperly executed and documented or based on inaccurate assumptions and, as a result, could actually increase our risks and losses. An increasing size of our MSR portfolio may increase our interest rate risk and correspondingly, the volatility of our earnings, especially if we cannot adequately hedge the interest rate risk relating to our MSR assets.

If we increase the size of our MSR portfolio, it could result in us carrying significant asset balances. This could result in a reduction in our liquidity and cause a reduction in our capital ratios. The combination of these impacts along with other impacts, could cause us to not have sufficient liquidity or capital.

All income related to retained servicing, including changes in the value of the MSR asset, is included in noninterest income. Depending on the interest rate environment and market trends related to MSR sales, it is possible that the fair value of our MSR asset may be reduced in the future. If such changes in fair value significantly reduce the carrying value of our MSR asset, our financial condition and results of operations would be negatively affected. If we increase the size of our MSR assets in the future, these risks could increase.

The accuracy of our financial statements and related disclosures could be affected if we are exposed to actual conditions different from the judgments, assumptions or estimates used in our critical accounting estimates.

The preparation of financial statements and related disclosure in conformity with GAAP requires us to make judgments, assumptions and estimates that affect the amounts reported in our consolidated financial statements and accompanying notes. Our critical accounting estimates, which are included in this Annual Report, describe those significant accounting policies and methods used in the preparation of our consolidated financial statements that we consider "critical" because they involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operation. As a result, if future events differ significantly from the judgments, assumptions and estimates in our critical accounting policies, such events or assumptions could have a material impact on our audited consolidated financial statements and related disclosures.

From time to time, the Financial Accounting Standards Board and the SEC change the financial accounting and reporting standards or the interpretation of such standards that govern the preparation of our financial statements. These changes are beyond our control, can be difficult to predict, may require extraordinary efforts or additional costs to implement and could materially impact how we report our financial condition and results of operations. Additionally, we may be required to apply a new or revised standard retrospectively, resulting in the restatement of prior period financial statements in material amounts.

We are dependent on our management team, and the loss of members of our existing management team or other key employees could impair our relationship with customers and adversely affect our business and financial results.

Our success is dependent, to a large degree, upon the continued service and skills of our existing management team and other key employees with long-term customer relationships. Our business and growth strategies are built primarily upon our ability to retain employees with experience and business relationships within their respective segments. The loss of one or more of these key personnel could have an adverse impact on our business because of their skills, knowledge of the market, years of industry experience and the difficulty of finding qualified replacement personnel. In addition, we currently do not have non-competition agreements with certain members of management and other key employees. If any of these personnel were to leave and compete with us, our business, financial condition, results of operations and growth could suffer.

A decline in the market for municipal advisory services could adversely affect our business and results of operations.

Our broker-dealer segment has historically earned a material portion of its revenues from advisory fees paid to it by its clients, in large part upon the successful completion of the client's transaction. New issuances in the municipal market by cities, counties, school districts, state and other governmental agencies, airports, healthcare institutions, institutions of higher education and other clients that the public finance services line of business serves can be subject to significant fluctuations based on factors such as changes in interest rates, property tax bases, budget pressures on certain issuers caused by uncertain economic times and other factors. A decline in the market for municipal advisory services due to the factors listed above could have an adverse effect on our business and results of operations.

We are subject to losses due to fraudulent and negligent acts.

Our banking and mortgage origination businesses expose us to fraud risk from our loan and deposit customers and the parties they do business with, as well as from our employees, contractors and vendors. We rely heavily upon information supplied by third parties, including the information contained in credit applications, property appraisals, title information, equipment pricing and valuation, and employment and income documentation, in deciding which loans to originate and the terms of those loans. If any of the information upon which we rely is misrepresented, either fraudulently or negligently, and the misrepresentation is not detected prior to funding, the value of the collateral may be significantly lower than expected, the source of repayment may not exist or may be significantly impaired, or we may fund a loan that we would not have funded or on terms we would not have extended. While we have underwriting and operational controls in place to help detect and prevent such fraud, no such controls are effective to detect or prevent all fraud. Whether a misrepresentation is made by the applicant, another third-party or one of our own employees, we may bear the risk of loss associated with the misrepresentation. We have experienced losses resulting from fraud in the past, including loan, wire transfer, document and check fraud, and identity theft. We maintain fraud insurance, but this insurance may not be sufficient to cover all of our losses from any fraudulent acts.

Our broker-dealer activities also expose us to fraud risks. When acting as an underwriter, our broker-dealer segment may be liable jointly and severally under federal, state and foreign securities laws for false and misleading statements concerning the securities, or the issuer of the securities, that it underwrites. We are sometimes brought into lawsuits in connection with our correspondent clearing business based on actions of our correspondents. In addition, we may act as a fiduciary in other capacities that could expose us to liability under such laws or under common law fiduciary principles.

Negative publicity regarding us, or financial institutions in general, could damage our reputation and adversely impact our business and results of operations.

Our ability to attract and retain customers and conduct our business could be adversely affected to the extent our reputation is damaged. Reputational risk, or the risk to our business, earnings and capital from negative public opinion regarding our company, or financial institutions in general (such as historic high-profile bank failures), is inherent in our business. Adverse perceptions concerning our reputation or financial institutions in general could lead to difficulties in generating and maintaining accounts as well as in financing them. In particular, such negative perceptions could lead to decreases in the level of deposits that consumer and commercial customers and potential customers choose to maintain with us. Negative public opinion could result from actual or alleged conduct in any number of activities or circumstances, including lending or foreclosure practices; sales practices; corporate governance and potential conflicts of interest; ethical failures or fraud, including alleged deceptive or unfair lending or pricing practices; regulatory compliance; protection of customer information; cyber-attacks, whether actual, threatened, or perceived; negative news about us or the financial institutions industry generally; general company performance; or actions taken by government regulators and community organizations in response to such activities or circumstances. Evolving federal and state scrutiny of account onboarding, offboarding, and access to banking services could also increase our compliance and reputational risks and we could face criticism or penalties if regulators find our account actions insufficiently supported or discriminatory. Conflicting standards and rising public attention to alleged "debanking" may increase complaint volume, compliance costs, and reputational exposure and any of these developments could materially affect our business, financial condition, or results of operations. Furthermore, our failure to address, or the perception that we have failed to address, any of the foregoing issues appropriately could impact our ability to keep and attract customers and/or

employees and could expose us to litigation and/or regulatory action, which could have an adverse effect on our business and results of operations.

In addition, regulators, investors, customers and the general public are increasingly focused on environmental, social and governance ("ESG") practices and disclosures, and views about ESG are diverse and rapidly changing and have become a consideration in investment decisions. These shifts in investing priorities may result in adverse effects on the trading price of our common stock if investors determine that we have not made sufficient progress on ESG matters. We could also face potential negative ESG-related publicity in traditional media or social media if stockholders or other stakeholders determine that we have not adequately considered or addressed ESG matters. At the same time, certain stakeholders have increasingly expressed or pursued opposing views, legislation, and investment expectations with respect to ESG initiatives, including the enactment or proposal of "anti-ESG" legislation or policies.

Both advocates and opponents of certain ESG matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, or we are unsuccessful in navigating competing stakeholder perspectives, it may require us to incur costs or may otherwise adversely impact our ability to attract and retain customers and employees, and our financial condition and results of operations.

We are subject to legal claims and litigation, including potential securities law liabilities, any of which could have a material adverse effect on our business.

We face significant legal risks in each of the business segments in which we operate, and the volume of legal claims and amount of damages and penalties claimed in litigation and regulatory proceedings against financial service companies remains high. These risks often are difficult to assess or quantify, and their existence and magnitude often remain unknown for substantial periods of time. Substantial legal liability or significant regulatory action against us or any of our subsidiaries could have a material adverse effect on our results of operations or cause significant reputational harm to us, which could seriously harm our business and prospects. Further, regulatory inquiries and subpoenas, other requests for information, or testimony in connection with litigation may require incurrence of significant expenses, including fees for legal representation and fees associated with document production. These costs may be incurred even if we are not a target of the inquiry or a party to the litigation. Any financial liability or reputational damage could have a material adverse effect on our business, which, in turn, could have a material adverse effect on our financial condition and results of operations.

Further, in the normal course of business, our broker-dealer segment has been subject to claims by customers and clients alleging unauthorized trading, churning, mismanagement, suitability of investments, breach of fiduciary duty or other alleged misconduct by our employees or brokers. We are sometimes brought into lawsuits based on allegations concerning our correspondents. As underwriters, we are subject to substantial potential liability for material misstatements and omissions in prospectuses and other communications with respect to underwritten offerings of securities. Prolonged litigation producing significant legal expenses or a substantial settlement or adverse judgment could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Because we may use a substantial portion of our remaining excess capital to make acquisitions or effect a business combination, we may become subject to risks inherent in pursuing and completing any such acquisitions or business combination.

We may make acquisitions or effect business combinations with a substantial portion of our remaining excess capital. We may not, however, be able to identify suitable targets, consummate acquisitions or effect a combination on commercially acceptable terms or, if consummated, successfully integrate personnel and operations.

The success of any acquisition or business combination will depend upon, among other things, the ability of management and our employees to integrate personnel, operations, products and technologies effectively, to attract, retain and motivate key personnel and to retain customers and clients of targets. It is possible that the integration process could result in the loss of key employees, the disruption of ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, depositors and

employees. In addition, the integration of certain operations will require the dedication of significant management resources, which may temporarily distract management's attention from our day-to-day business. Any inability to realize the full extent, or any, of the anticipated cost savings and financial benefits of any acquisitions we make, as well as any delays encountered in the integration process, could have an adverse effect on our business and results of operations, which could adversely affect our financial condition and cause a decrease in our earnings per share or decrease or delay the expected accretive effect of the acquisitions and contribute to a decrease in the price of our common stock. In addition, any acquisition or business combination we undertake may consume available cash resources, result in potentially dilutive issuances of equity securities and divert management's attention from other business concerns. Even if we conduct extensive due diligence on a target business that we acquire or with which we merge, our diligence may not surface all material issues that may adversely affect a particular target business, and we may be forced to later write-down or write-off assets, restructure our operations or incur impairment or other charges that could result in our reporting losses. Consequently, we also may need to make further investments to support the acquired or combined company and may have difficulty identifying and acquiring the appropriate resources.

We may enter, through acquisitions or a business combination, into new lines of business or initiate new service offerings subject to the restrictions imposed upon us as a regulated financial holding company. Accordingly, there is no basis for you to evaluate the possible merits or risks of the particular target business with which we may combine or that we may ultimately acquire.

Subject to the restrictions imposed upon us as a regulated financial holding company, we may also use excess capital to make investments in companies engaged in non-financial activities. These investments could decline in value and are likely to be substantially less liquid than exchange-listed securities, if we are able to sell them at all. If we are required to sell these investments quickly, we may receive significantly less value than if we could otherwise have sold them. Losses on these investments could have an adverse impact on our profitability, results of operations and financial condition.

We may be subject to environmental liabilities in connection with the foreclosure on real estate assets securing the loan portfolio of our banking segment.

Hazardous or toxic substances or other environmental hazards may be located on the real estate that secures our loans. If we acquire such properties as a result of foreclosure, or otherwise, we could become subject to various environmental liabilities. For example, we could be held liable for the cost of cleaning up or otherwise addressing contamination at or from these properties. We could also be held liable to a governmental entity or third-party for property damage, personal injury or other claims relating to any environmental contamination at or from these properties. In addition, we could be held liable for costs relating to environmental contamination at or from our current or former properties. We may not detect all environmental hazards associated with these properties. If we ever became subject to significant environmental liabilities, our business, financial condition, liquidity and results of operations could be harmed.

Risks Related to Our Indebtedness

Our indebtedness may affect our ability to operate our business and may have a material adverse effect on our financial condition and results of operations. We may incur additional indebtedness, including secured indebtedness.

At December 31, 2025, on a consolidated basis, we had total deposits of $10.9 billion and other indebtedness of $0.8 billion, including $150.0 million aggregate principal amount of our 2035 Subordinated Notes. Our indebtedness could have important consequences, such as:

- limiting our ability to obtain additional financing to fund our working capital needs, acquisitions, capital expenditures or other debt service requirements or for other purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service debt;
- limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;
- restricting us from making strategic acquisitions, developing properties or pursuing business opportunities;

- restricting the way in which we conduct our business because of financial and operating covenants in the agreements governing our and certain of our subsidiaries' existing and future indebtedness, including, in the case of certain indebtedness of subsidiaries, certain covenants that restrict the ability of such subsidiaries to pay dividends or make other distributions to us;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our or our subsidiaries' debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions or a decrease in pricing of our products; and
- limiting our ability to react to changing market conditions in our industry and in our customers' industries.

In addition to our debt service obligations, our operations require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets and properties, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors.

Subject to the restrictions in the indentures governing the 2035 Subordinated Notes, we may incur significant additional indebtedness, including secured indebtedness. If new debt is added to our current debt levels, the risks described above could increase.

We may not be able to generate sufficient cash to service all of our indebtedness, including the 2035 Subordinated Notes, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to satisfy our debt obligations will depend upon, among other things:

- our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; and
- our future ability to refinance the 2035 Subordinated Notes, which depends on, among other things, our compliance with the covenants in the indentures governing the 2035 Subordinated Notes.

We cannot assure you that our business will generate sufficient cash flow from operations, or that we will be able to obtain financing in an amount sufficient to fund our liquidity needs.

If our cash flows and capital resources are insufficient to service our indebtedness, including the 2035 Subordinated Notes, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness, including the 2035 Subordinated Notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations, including our obligations under the 2035 Subordinated Notes. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations, sell equity and/or negotiate with our lenders and other creditors to restructure the applicable debt in order to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. The indentures governing the 2035 Subordinated Notes may restrict, or market or business conditions may limit, our ability to avail ourselves of some or all of these options. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

A reduction in our credit rating could adversely affect us or the holders of our securities.

The credit rating agencies rating our indebtedness regularly evaluate us, and credit ratings are based on a number of factors, including our financial strength and ability to generate earnings, as well as factors not entirely within our control, including conditions affecting the financial services industry and the economy and changes in rating methodologies. There can be no assurance that we will maintain our current credit rating. A downgrade of our credit rating could adversely affect our access to liquidity and capital, and could significantly increase our cost of funds, trigger additional collateral or funding requirements and decrease the number of investors and counterparties willing to lend to us or purchase our securities. This could affect our growth, profitability and financial condition, including liquidity.

The indenture governing the 2035 Subordinated Notes contain, and any instruments governing future indebtedness would likely contain, restrictions that limit our flexibility in operating our business.

The indenture governing the 2035 Subordinated Notes contain, and any instruments governing future indebtedness would likely contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our ability to, among other things:

- dispose of, or issue voting stock of, certain subsidiaries; or
- incur or permit to exist any mortgage, pledge, encumbrance or lien or charge on the capital stock of certain subsidiaries.

Any of these restrictions could limit our ability to plan for or react to market conditions and could otherwise restrict corporate activities. Any failure to comply with these covenants could result in a default under the indenture governing the 2035 Subordinated Notes. Upon a default, holders of the 2035 Subordinated Notes have the ability ultimately to force us into bankruptcy or liquidation, subject to the indenture governing the 2035 Subordinated Notes. In addition, a default under the indenture governing the 2035 Subordinated Notes could trigger a cross default under the agreements governing our existing and future indebtedness. Our operating results may not be sufficient to service our indebtedness or to fund our other expenditures, and we may not be able to obtain financing to meet these requirements.

Risks Related to our Industry

The soundness of other financial institutions could adversely affect our business.

Our ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty and other relationships. We have exposure to many different counterparties and we routinely execute transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, credit unions, investment banks, mutual and hedge funds, and other institutional clients. As a result, defaults by, or even negative speculation about, one or more financial services institutions, or the financial services industry in general, have led to market-wide liquidity problems in the past and could lead to losses or defaults by us or by other institutions. For example, past high-profile bank failures created additional financial pressure and uncertainty for other financial institutions and led to increased regulatory scrutiny in the industry. Similar bank failures, or the perception thereof, could adversely affect our operations. Many of these transactions expose us to credit risk in the event of default of our counterparty or client. In addition, our credit risk may be exacerbated when we hold collateral that cannot be realized or is liquidated at prices not sufficient to recover the full amount of the receivable due to us. Any such losses could be material and could materially and adversely affect our business, financial condition, results of operations or cash flows.

We face strong competition from other financial institutions and financial service companies, which may adversely affect our operations and financial condition.

Our banking segment primarily competes with national, regional and community banks within various markets where the Bank operates. The banking business in Texas has remained competitive over the past several years, and we expect the level of competition we face to further increase. The Bank also faces competition from many other types of financial institutions, including savings and loan associations, savings banks, finance companies and credit unions. A number of these banks and other financial institutions have substantially greater resources and lending limits, larger branch systems

and a wider array of banking services than we do. We also compete with other providers of financial services, such as money market mutual funds, brokerage and investment banking firms, consumer finance companies, pension trusts, governmental organizations and increasingly fintech companies, each of which may offer more favorable financing than we are able to provide. We face competition for deposits and in providing lending products and services to consumers and businesses in our market area. Other factors encountered in competing for savings deposits include convenient office locations, interest rates and fee structures of products offered. Direct competition for savings deposits also comes from other commercial bank and thrift institutions, money market mutual funds and corporate and government securities that may offer more attractive rates than insured depository institutions are willing to pay. Competition for loans is based on factors such as interest rates, loan origination fees and the range of services offered by the provider. Our profitability depends on our ability to compete effectively in these markets. This competition may reduce or limit our margins on banking services, reduce our market share and adversely affect our results of operations and financial condition.

Our broker-dealer business competes directly with numerous other financial advisory and investment banking firms, broker-dealers and banks, including large national and major regional firms and smaller niche companies, some of whom are not broker-dealers and, therefore, not subject to the broker-dealer regulatory framework. In addition to competition from firms currently in the industry, there has been increasing competition from others offering financial services, including automated trading and other services based on technological innovations. Our broker-dealer business competes on the basis of a number of factors, including the quality of advice and service, technology, product selection, innovation, reputation, client relationships and price. Increased pressure created by any current or future competitors, or by competitors of our broker-dealer business collectively, could reduce revenue and loss of market share and could materially and adversely affect our business and results of operations. Further, as a strategic response to changes in the competitive environment, our broker-dealer business may from time to time make certain pricing, service or marketing decisions that also could materially and adversely affect our business and results of operations.

Our mortgage origination business faces vigorous competition from banks and other financial institutions, including large financial institutions as well as independent mortgage banking companies, commercial banks, savings banks and savings and loan associations. Our mortgage origination segment competes on a number of factors including customer service, quality and range of products and services offered, price, reputation, interest rates, closing process and duration, and loan origination fees.

Overall, competition among providers of financial products and services continues to increase as technological advances, including the rise of artificial intelligence and automation, have lowered the barriers to entry for financial technology companies, with consumers having the opportunity to select from a growing variety of traditional and nontraditional alternatives, including online checking, savings and brokerage accounts, online lending, online insurance underwriters, crowdfunding, digital wallets, and money transfer services. The ability of non-banking financial institutions to provide services previously limited to commercial banks has intensified competition. Because non-banking financial institutions are not subject to many of the same regulatory restrictions as banks and bank holding companies, they can often operate with greater flexibility and lower cost structures. This competition could result in the loss of customer deposits and brokerage accounts and lower mortgage originations which could have a material adverse effect on our financial condition and results of operations.

Legal and Regulatory Risks

Acquisitions may be delayed, impeded, or prohibited due to regulatory issues.

Acquisitions by financial institutions are subject to approval by a variety of federal and state regulatory agencies. The process for obtaining these required regulatory approvals can vary materially depending on a number of factors that are not in our control, including the leadership of the relevant agencies. Regulatory approvals could be delayed, impeded, restrictively conditioned or denied due to existing or new regulatory issues we have, or may have, with regulatory agencies, including, without limitation, issues related to the Bank Holding Company Act, the Bank Merger Act, Bank Secrecy Act compliance, CRA issues, fair lending laws, fair housing laws, consumer protection laws, unfair, deceptive, or abusive acts or practices regulations and other similar laws and regulations. We may fail to pursue, evaluate or complete strategic and competitively significant acquisition opportunities as a result of our inability, or perceived or anticipated inability, to obtain regulatory approvals in a timely manner, under reasonable conditions or at all. Difficulties

associated with potential acquisitions that may result from these factors could have a material adverse effect on our business, financial condition and results of operations.

We are subject to extensive supervision and regulation that could restrict our activities and impose financial requirements or limitations on the conduct of our business and limit our ability to generate income.

We are subject to extensive federal and state regulation and supervision, including that of the Federal Reserve Board, the Texas Department of Banking, the FDIC, the CFPB, the SEC and FINRA. Banking regulations are primarily intended to protect depositors' funds, federal deposit insurance funds and the banking system as a whole, not stockholders or other debt holders. Likewise, regulations promulgated by the SEC and FINRA are primarily intended to protect the securities markets and customers of broker-dealer businesses rather than stockholders or other debt holders. Additionally, the Bank is subject to the CFPB's supervisory and enforcement authority with respect to federal consumer financial laws.

These regulations affect our lending practices, capital structure, capital requirements, investment practices, brokerage and investment advisory activities, dividends and growth, among other things. Failure to comply with laws, regulations or policies could result in enforcement actions, money damages, civil money penalties or reputational damage, as well as sanctions and supervisory actions by regulatory agencies that could subject us to significant restrictions on or suspensions of our business and our ability to expand through acquisitions or branching. Further, our clearing contracts generally include automatic termination provisions that are triggered in the event we are suspended from any of the national exchanges of which we are a member for failure to comply with the rules or regulations thereof. While we have implemented policies and procedures designed to prevent any such violations of rules and regulations, such violations may occur from time to time, which could have a material adverse effect on our financial condition and results of operations.

The U.S. Congress, state legislatures, and federal and state regulatory agencies frequently revise banking and securities laws, regulations and policies. For example, several aspects of the Dodd-Frank Act have affected our business, including, without limitation, increased capital requirements, increased mortgage regulation, restrictions on proprietary trading in securities, restrictions on investments in hedge funds and private equity funds, executive compensation restrictions, potential federal oversight of the insurance industry and disclosure and reporting requirements. It remains difficult to predict how current or potential changes to applicable rules and regulations will affect our business. Compliance with new or changing laws and regulations has resulted and likely will continue to result in additional costs, which could be significant and may adversely impact our results of operations, financial condition, and liquidity.

The Bank received a "satisfactory" CRA rating in connection with its most recent CRA performance evaluation. A CRA rating of less than "satisfactory" adversely affects a bank's ability to establish new branches and impairs a bank's ability to commence new activities that are "financial in nature" or acquire companies engaged in these activities. Other regulatory exam ratings or findings also may adversely impact our ability to branch, commence new activities or make acquisitions.

We cannot predict whether or in what form any other proposed regulations or statutes will be adopted or the extent to which our business may be affected by any new regulation or statute. These changes become less predictable, yet more likely to occur, following the transition of power from one presidential administration to another, especially as occurred in 2025, when it involves a change in the governing political party. New agency leaders have different priorities and, as a result, there have been and will be a number of proposed changes to regulations, guidance or supervisory tactics that impact our business. Any such changes could subject our business to additional costs, limit the types of financial services and products we may offer and increase the ability of non-banks to offer competing financial services and products, among other things. Additionally, under the current U.S. administration, a level of heightened uncertainty exists with respect to the future of the CFPB, including its structure, staffing, and responsibilities. It remains uncertain whether, or to what extent, changes at the CFPB will impact our business and the overall regulatory environment. We cannot predict whether future executive or legislative actions regarding the CFPB, consumer laws, and related regulations may impact the industry generally, including potential actions that state or other federal regulators may take in response to such executive or legislative actions.

We may be subject to more stringent capital requirements in the future.

We are subject to regulatory requirements specifying minimum amounts and types of capital that we must maintain. From time to time, the regulators change these regulatory capital adequacy guidelines. After the recent withdrawal of a previously proposed rule, the federal banking agencies are considering additional changes to the Basel III capital requirements. It is not clear how the proposed rule, if any, will impact Hilltop, PCC or the Bank. If we fail to meet the minimum capital guidelines and other regulatory requirements as applicable to us, we or our subsidiaries may be restricted in the types of activities we may conduct, and we may be prohibited from taking certain capital actions, such as paying dividends and repurchasing or redeeming capital securities.

Failure to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have an adverse material effect on our financial condition and results of operations. The application of more stringent capital requirements for Hilltop, PCC and the Bank could, among other things, adversely affect our results of operations and growth, require the raising of additional capital, restrict our ability to pay dividends or repurchase shares and result in regulatory actions if we were to be unable to comply with such requirements.

Periodically, the SEC adopts amendments to Rules 15c3-1 and 15c3-3 under the Exchange Act related to our broker-dealer segment. The implementation of any new requirements from these amendments may increase our cost of regulatory compliance.

The CFPB has issued "ability-to-repay" and "qualified mortgage" rules that may have a negative impact on our loan origination process and foreclosure proceedings, which could adversely affect our business, operating results, and financial condition.

The CFPB's "qualified mortgage" rule requires mortgage lenders to consider consumers' ability to repay home loans before extending them credit. The rule describes certain minimum requirements for lenders making ability-to-repay determinations, but does not dictate that they follow particular underwriting models. Lenders are presumed to have complied with the ability-to-repay rule if they issue "qualified mortgages," which are generally defined as mortgage loans prohibiting or limiting certain risky features. Loans that do not meet the ability-to-repay standard can be challenged in court by borrowers who default and the absence of ability-to-repay status can be used against a lender in foreclosure proceedings. Any loans that we make outside of the "qualified mortgage" criteria, including the newly created "seasoned qualified mortgage" criteria could expose us to an increased risk of liability and reduce or delay our ability to foreclose on the underlying property. Any increases in compliance and foreclosure costs caused by the rule could negatively affect our business, operating results and financial condition.

Risks Related to Our Common Stock

We may issue shares of preferred stock or additional shares of common stock to complete an acquisition or effect a combination or under an employee incentive plan after consummation of an acquisition or business combination, which would dilute the interests of our stockholders and likely present other risks.

The issuance of shares of preferred stock or additional shares of common stock:

- may significantly dilute the equity interest of our stockholders;
- may subordinate the rights of holders of common stock if preferred stock is issued with rights senior to those afforded our common stock;
- could cause a change in control if a substantial number of shares of common stock are issued, which may affect, among other things, our ability to use our net operating loss carry forwards; and
- may adversely affect prevailing market prices for our common stock.

Our board of directors, in its sole discretion, may designate and issue one or more series of preferred stock from the authorized and unissued shares of preferred stock. Subject to limitations imposed by law or our articles of incorporation,

our board of directors is empowered to determine the designation and number of shares constituting each series of preferred stock, as well as any designations, qualifications, privileges, limitations, restrictions or special or relative rights of additional series. The rights of preferred stockholders may supersede the rights of common stockholders. Preferred stock could be issued with voting and conversion rights that could adversely affect the voting power of the shares of our common stock. The issuance of preferred stock could also result in a series of securities outstanding that would have preferences over the common stock with respect to dividends and in liquidation.

Our common stock price may experience substantial volatility, which may affect your ability to sell our common stock at an advantageous price.

Price volatility of our common stock may affect your ability to sell our common stock at an advantageous price. Market price fluctuations in our common stock may arise due to acquisitions, dispositions or other material public announcements, including those regarding dividends or changes in management, along with a variety of additional factors, including, without limitation, other risks identified in "Forward-looking Statements" and these "Risk Factors." In addition, the stock markets in general, including the NYSE, have experienced extreme price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often have been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market price of our common stock.

Existing circumstances may result in several of our directors having interests that may conflict with our interests.

A director who has a conflict of interest with respect to an issue presented to our board will have no inherent legal obligation to abstain from voting upon that issue. We do not have provisions in our bylaws or charter that require an interested director to abstain from voting upon an issue, and we do not expect to add provisions in our charter and bylaws to this effect. Although each director has a duty to act in good faith and in a manner he or she reasonably believes to be in our best interests, there is a risk that, should interested directors vote upon an issue in which they or one of their affiliates has an interest, their vote may reflect a bias that could be contrary to our best interests. In addition, even if an interested director abstains from voting, the director's participation in the meeting and discussion of an issue in which he or she has, or companies with which he or she is associated have, an interest could influence the votes of other directors regarding the issue.

Our rights and the rights of our stockholders to take action against our directors and officers are limited.

We are organized under Maryland law, which provides that a director or officer has no liability in that capacity if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. In addition, our charter eliminates our directors' and officers' liability to us and our stockholders for money damages, except for liability resulting from actual receipt of an improper benefit or profit in money, property or services or active and deliberate dishonesty established by a final judgment and that is material to the cause of action. Our bylaws require us to indemnify our directors and officers for liability resulting from actions taken by them in those capacities to the maximum extent permitted by Maryland law. As a result, our stockholders and we may have more limited rights against our directors and officers than might otherwise exist under common law. In addition, we may be obligated to fund the defense costs incurred by our directors and officers.

Our charter and bylaws contain provisions that could discourage acquisition bids or merger proposals, which may adversely affect the market price of our common stock.

Authority to Issue Additional Shares. Under our charter, our board of directors may issue up to an aggregate of ten million shares of preferred stock without stockholder action. The preferred stock may be issued, in one or more series, with the preferences and other terms designated by our board of directors that may delay or prevent a change in control of us, even if the change is in the best interests of stockholders. At December 31, 2025, no shares of preferred stock were outstanding.

Banking Laws. Any change in control of our company is subject to prior regulatory approval under the Bank Holding Company Act or the Change in Bank Control Act, which may delay, discourage or prevent an attempted acquisition or change in control of us.

FINRA. Any change in control (as defined under FINRA rules) of any of the Hilltop Broker-Dealers, including through acquisition, is subject to prior regulatory approval by FINRA which may delay, discourage or prevent an attempted acquisition or other change in control of such broker-dealers.

Restrictions on Calling Special Meeting, Cumulative Voting and Director Removal. Our bylaws include a provision prohibiting holders that do not or have not owned, continuously for at least one year as of the record date of such proposed meeting, capital stock representing at least 15% of the shares entitled to be voted at such proposed meeting, from calling a special meeting of stockholders. Our charter does not provide for the cumulative voting in the election of directors. In addition, our charter provides that our directors may only be removed for cause and then only by an affirmative vote of at least two-thirds of the votes entitled to be cast in the election of directors. Any amendment to our charter relating to the removal of directors requires the affirmative vote of two-thirds of all of the votes entitled to be cast on the matter. These provisions of our bylaws and charter may delay, discourage or prevent an attempted acquisition or change in control of us.

There can be no assurance that we will continue to declare cash dividends or repurchase stock.

In October 2016, we announced that our board of directors authorized a dividend program under which we intend to pay quarterly dividends on our common stock, subject to quarterly declarations by our board of directors. During 2025, we declared and paid cash dividends of $0.72 per common share.

In January 2025, our board of directors authorized a stock repurchase program through January 2026, pursuant to which we were authorized to repurchase, in the aggregate, up to $100.0 million of our outstanding common stock, which authorization was increased to $135.0 million in July 2025, and to $185.0 million in October 2025. During 2025, we paid $184.0 million to repurchase an aggregate of 5,705,205 shares of our common stock at an average price of $32.26 per share pursuant to the stock repurchase program. These shares were returned to the pool of authorized but unissued shares of common stock.

In January 2026, our board of directors authorized a new stock repurchase program through January 2027, pursuant to which we are authorized to repurchase, in the aggregate, up to $125.0 million of our outstanding common stock.

Our share repurchases in excess of issuances may be subject to a 1% nondeductible excise tax enacted by the Inflation Reduction Act of 2022, subject to certain limitations.

Any future declarations, amount and timing of any dividends and/or the amount and timing of such stock repurchases are subject to capital availability and the discretion of our board of directors, which must evaluate, among other things, whether cash dividends and/or stock repurchases are in the best interest of our stockholders and are in compliance with all applicable laws and any agreements containing provisions that limit our ability to declare and pay cash dividends and/or repurchase stock. Our ability to pay dividends and/or repurchase stock will depend upon, among other factors, our cash balances and potential future capital requirements for strategic transactions, including acquisitions, the ability of our subsidiaries to pay dividends to Hilltop, capital adequacy requirements and other regulatory restrictions on us and our subsidiaries, policies of the Federal Reserve Board, equity and debt service requirements senior to our common stock, earnings, financial condition, the general economic and regulatory climate and other factors beyond our control that our board of directors may deem relevant. In addition, the amount we spend and the number of shares we are able to repurchase under our stock repurchase program may further be affected by a number of other factors, including the stock price and blackout periods in which we are restricted from repurchasing shares. Our dividend payments and/or stock repurchases may change from time to time, and we cannot provide assurance that we will continue to declare dividends and/or repurchase stock in any particular amounts or at all. A reduction in or elimination of our dividend payments, our dividend program and/or stock repurchases could have a negative effect on our stock price.

An investment in our common stock is not an insured deposit.

An investment in our common stock is not a bank deposit and is not insured or guaranteed by the FDIC, SIPC or any other government agency. Accordingly, you should be capable of affording the loss of any investment in our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

Hilltop recognizes the critical importance of protecting company data and the information systems that collect, process and maintain data, and we have developed an enterprise-wide program for assessing, identifying and managing material cybersecurity risks and threats. The systems we utilize include safeguards that are designed to protect against or mitigate possible threats, as well as controls designed to address accountability, availability, integrity and confidentiality of the data. We have implemented security measures to guard against unauthorized access, alteration, disclosure or destruction of data and systems, including accidental loss and destruction. Our program is supported by management and the board of directors.

Organizational Model

Our Information Security Department is comprised of four primary functions:

- Information Security Risk assesses technology risks and controls, evaluates application systems' conformance to internally defined and approved security standards, coordinates audits and examinations for Information Technology ("IT") and Information Security, as well as tracks open risk issues and exceptions.
- IT Security defines security policies and standards, conducts security awareness and training, evaluates security configuration and assesses vulnerability risk.
- Security Operations utilizes security solutions to detect and respond to security threats and supports the end-user security needs. We recognize the critical importance of developing, implementing, and maintaining robust cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity and availability of our data.
- Security Engineering plans, builds, and maintains technical controls and solutions that enhance our security posture that mitigate risk to the enterprise while assuring the integrity of the engineering design process. Within the Security Engineering department we maintain our Identity and Access Management team to ensure appropriate access to our systems is granted on a least-privileged basis through recurring User Access Reviews.

Managing Material Cybersecurity Risks

As a part of our overall risk management strategy, Information Security Risk conducts risk assessments on the technology environment as well as application systems implemented to support the various business functions of Hilltop based on the Gramm-Leach-Bliley Act guidance. Risks are identified from the Enterprise Risk Management and Internal Audit assessments of IT and Information Security. Information Security then quantifies the incidents and risks that have been identified and reports to the Operations & Strategy Committee, which is comprised of executives from across the enterprise representing disciplines including compliance, regulatory, information technology, risk, finance, and operations, if they meet certain thresholds. The necessary controls are identified to address the risk and this control evaluation contributes to the assessment of the residual risk value. In 2024 and 2025, additional assessments were completed utilizing the FFIEC Cybersecurity Assessment Tool and the Ransomware Self-Assessment Tool for the enterprise.

Engage Third-Parties on Risk Management

Recognizing the complexity and evolving nature of cybersecurity threats, Hilltop engages with a range of external experts, including cybersecurity assessors, consultants and auditors in evaluating and testing our risk management systems. These partnerships enable us to leverage specialized knowledge and insights, ensuring our cybersecurity strategies and processes remain at the forefront of industry best practices. Our collaboration with these third-parties includes regular audits, threat assessments, and consultation on security enhancements. In particular, each year we

engage a firm to perform internal and external penetration testing. We do not allow the same firm to be engaged for more than three years in an effort to obtain diversity in methods of testing. Additionally, at least every two years, we engage a firm to perform a red-team exercise for a simulated cybersecurity event.

Service Provider Oversight

HTH Procurement processes contract requests, contract renewals and onboard of vendors. Such process creates a single point of entry for all sourcing and contract requests. Vendors who match certain inherent risk levels are then sent to Vendor Risk Management ("VRM") for further review and due diligence. Vendors who host Non-Public Personally Identifiable Information or vendors who we deem materially critical, regardless of risk, are managed by VRM. The VRM's due diligence process is risk-based and serves as a verification and analysis tool to assist in the evaluation of risk associated with new vendor relationships and ongoing reviews of inherently high-risk and vital vendors. VRM also is tasked with monitoring managed vendors business continuity and disaster recovery processes.

VRM considers specific factors in performing their due diligence based on the risk profile of the high-risk and vital vendor and services being performed. The specific factors include, but are not limited to, a review of the vendor's:

- Information security and related controls (third-party audit);
- Existence of disaster recovery and business continuity program and testing;
- Financial status, including reviews of financial statements; and
- Geographic location (country risk).

Material findings are reported to the Operations & Strategy Committee. A report of these vendors also is provided to the Risk Committee of the board of directors, which provides updates to the full board of directors.

Risks from Cybersecurity Threats

We face a number of cybersecurity risks in connection with our business. We do not currently believe that any current cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected, or are reasonably likely to materially affect, Hilltop, including its business strategy, results of operations or financial condition. For more information about the cybersecurity risks we face, see Item 1A., "Risk Factors — Our operational systems and networks have been, and will continue to be, subject to an increasing risk of continually evolving cybersecurity or other technological risks, which could result in a loss of customer business, financial liability, regulatory penalties, damage to our reputation or the disclosure of confidential information."

Governance

The board of directors is acutely aware of the critical nature of managing risks associated with cybersecurity threats. To address the significance of these threats to our operations, customers and stockholders, we have established oversight mechanisms to ensure effective management, oversight and governance in managing risks associated with cybersecurity threats.

Board of Directors Oversight

Our board of directors and the Risk Committee of the board of directors oversee an enterprise-wide approach to risk management, including cybersecurity risks, intended to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance stockholder value. The Risk Committee is central to the board of directors' oversight of cybersecurity risks and bears the primary responsibility for this function. The Risk Committee is composed of board members with significant experience in risk management assisting them to oversee cybersecurity risks. The Risk Committee receives regular reports from our Chief Information Security Officer ("CISO") and provides updates to the full board of directors at each regular meeting of the board of directors. The Risk Committee also reviews all information security plans and policies, which are then recommended to the full board of directors for its review and approval.

Management's Role Managing Risk

Our CISO keeps the Risk Committee informed on cybersecurity risks and developments. Our CISO provides comprehensive briefings to the Risk Committee on a regular basis, with a minimum frequency of four times per year. These briefings encompass a broad range of topics, including:

- Current cybersecurity landscape and emerging threats;
- Status of ongoing cybersecurity initiatives and strategies;
- Incident reports and learnings from any cybersecurity events;
- Vulnerability management, including software patching, reviews of risk accepted vulnerabilities (remediated, renewed and top risks) and trends related thereto; and
- Compliance with regulatory requirements and industry standards.

In addition to Risk Committee meetings, our CISO generally meets with executive management weekly to provide updates regarding current activities and areas of focus. In the event of a potential or actual cybersecurity event, the CISO immediately notifies the General Counsel at which point the information security incident response plan is activated if warranted. The information security incident response plan provides the procedures for responding, including personnel required to be informed and updated. The board of directors is informed promptly in the event such incident is, or is reasonably expected to have, a material impact on operations or financial condition. We also conduct cybersecurity tabletop exercises each year to ensure our processes and procedures align with our technical controls, and to ensure that the organization is prepared for a security-related event.

Primary responsibility for assessing, monitoring and managing our cybersecurity risks rests with our CISO. Our CISO has over twenty years of experience in the field of cybersecurity and brings a wealth of expertise to his role. His background includes extensive experience in all facets of information technology and information security.

Our CISO is responsible for our Information Security Program and our information security leaders report directly to our CISO. We also maintain a standing committee, the Information Security Governance Committee, which consists of certain members of executive management, our CISO and information security leaders. Our Information Security Governance Committee allows for direct management reporting for IT Risk management, audit/examination report(s) review, and oversight of our Information Security strategy and program, and daily Security Operations.

Monitor Cybersecurity Incidents

Our CISO is continually informed about the latest developments in cybersecurity, including potential threats and innovative risk management techniques. This ongoing knowledge acquisition is crucial for the effective prevention, detection, mitigation and remediation of cybersecurity incidents. To assist our information security team in such knowledge acquisition, we subscribe to certain services that provide us alerts on security incidents and threats. Our CISO oversees the implementation of, and the processes for, the regular monitoring of our information systems. This includes the deployment of advanced security measures and regular system audits to identify potential vulnerabilities. As previously noted, in the event of a cybersecurity incident, the information security incident response plan is enacted. This plan includes immediate actions to mitigate the impact of and remediate the incident.

Item 2. Properties.

The principal office for both Hilltop and the Bank since February 2020 has been located in the City of University Park, Texas. In addition to our principal office, our business segments conduct business at various locations. We have options to renew leases at most locations that we do not own.

Banking. At December 31, 2025, our banking segment conducted business at 58 locations throughout Texas, including three support facilities. The Bank leases 35 banking locations, including its principal offices, and owns the remaining 23 banking locations.

Broker-Dealer. At December 31, 2025, our broker-dealer segment conducted business from 39 locations in 16 states. Each of these locations is leased by Hilltop Securities.

Mortgage Origination. At December 31, 2025, our mortgage origination segment conducted business from over 170 locations in 46 states. Each of these locations is leased by PrimeLending.

Item 3. Legal Proceedings.

For a description of material pending legal proceedings, see the discussion set forth under the heading "Legal Matters" in Note 18 to our Consolidated Financial Statements, which is incorporated by reference herein.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Securities, Stockholder and Dividend Information

Our common stock is listed on the New York Stock Exchange ("NYSE") and NYSE Texas under the symbol "HTH." At February 12, 2026, there were 59,449,557 shares of our common stock outstanding with 279 stockholders of record.

In October 2016, we announced that our board of directors authorized a dividend program under which we pay quarterly dividends on our common stock, subject to quarterly declarations by our board of directors. During 2025, we declared and paid cash dividends of $0.72 per common share. On January 29, 2026, we announced that our board of directors increased our quarterly dividend to $0.20 per common share. Although we expect to continue to pay dividends, we may elect not to pay dividends. Any declarations of dividends, and the amount and timing thereof, will be at the discretion of our board of directors, which must evaluate, among other things, whether cash dividends are in the best interest of our stockholders and are in compliance with all applicable laws and any agreements containing provisions that limit our ability to declare and pay cash dividends. Our ability to pay dividends will depend upon, among other factors, our cash balances and potential future capital requirements for strategic transactions, including acquisitions, equity and debt service requirements senior to our common stock, earnings, financial condition, the general economic and regulatory climate and other factors beyond our control that our board of directors may deem relevant. Our dividend payments may change from time to time, and we cannot provide assurance that we will continue to declare dividends in any particular amounts or at all. A reduction in or elimination of our dividend payments and/or our dividend program could have a negative effect on our stock price. See Item 1A, "Risk Factors — Risks Related to our Common Stock — There can be no assurance that we will continue to declare cash dividends or repurchase stock."

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information at December 31, 2025 with respect to compensation plans under which shares of our common stock may be issued. Additional information concerning our stock-based compensation plans is presented in Note 20, Stock-Based Compensation, in the notes to our consolidated financial statements.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by security holders*	—	$ —	1,309,749
Total	—	$ —	1,309,749

* Represents shares available for future issuance under the Hilltop Holdings Inc. 2020 Equity Incentive Plan.

Issuer Repurchases of Equity Securities

The following table details our repurchases of shares of common stock during the three months ended December 31, 2025.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [(1)]
October 1 - October 31, 2025	180,000	$ 32.52	180,000	$ 55,996,801
November 1 - November 30, 2025	1,139,995	33.50	1,139,995	17,808,789
December 1 - December 31, 2025	480,000	34.78	480,000	1,113,525
Total	1,799,995	$ 33.74	1,799,995	

(1) On January 30, 2025, we announced that our board of directors authorized a stock repurchase program through January 2026, pursuant to which we were authorized to repurchase, in the aggregate, up to $100.0 million of our outstanding common stock, which authorization was increased to $135.0 million in July 2025, and to $185.0 million in October 2025. In January 2026, our board of directors authorized a new stock repurchase program through January 2027, pursuant to which we are authorized to repurchase, in the aggregate, up to $125.0 million of our outstanding common stock, inclusive of repurchases to offset dilution related to grants of stock-based compensation. With the adoption of the new stock repurchase plan in January 2026, the stock repurchase plan authorized in January 2025 expired.

Item 6. [Reserved].

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion is intended to help the reader understand our results of operations and financial condition and is provided as a supplement to, and should be read in conjunction with, our audited consolidated financial statements and the accompanying notes thereto commencing on page F-1. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under "Item 1A. Risk Factors" and elsewhere in this Annual Report. See "Forward-Looking Statements."

Unless the context otherwise indicates, all references in this Management's Discussion and Analysis of Financial Condition and Results of Operations to the "Company," "we," "us," "our" or "ours" or similar words are to Hilltop Holdings Inc. and its direct and indirect wholly owned subsidiaries, references to "Hilltop" refer solely to Hilltop Holdings Inc., references to "PCC" refer to PlainsCapital Corporation (a wholly owned subsidiary of Hilltop), references to "Securities Holdings" refer to Hilltop Securities Holdings LLC (a wholly owned subsidiary of Hilltop), references to "Hilltop Securities" refer to Hilltop Securities Inc. (a wholly owned subsidiary of Securities Holdings), references to "Momentum Independent Network" refer to Momentum Independent Network Inc. (a wholly owned subsidiary of Securities Holdings, Hilltop Securities and Momentum Independent Network are collectively referred to as the "Hilltop Broker-Dealers"), references to the "Bank" refer to PlainsCapital Bank (a wholly owned subsidiary of PCC), references to "FNB" refer to First National Bank, references to "SWS" refer to the former SWS Group, Inc., references to "PrimeLending" refer to PrimeLending, a PlainsCapital Company (a wholly owned subsidiary of the Bank) and its subsidiaries as a whole.

OVERVIEW

We are a financial holding company registered under the Bank Holding Company Act of 1956. Our primary line of business is to provide business and consumer banking services from offices located throughout Texas through the Bank. We also provide an array of financial products and services through our broker-dealer and mortgage origination segments. The following includes additional details regarding the financial products and services provided by each of our primary business units.

PCC. PCC is a financial holding company that provides, through its subsidiaries, traditional banking and wealth, investment and treasury management services primarily in Texas and residential mortgage loans throughout the United States.

Securities Holdings. Securities Holdings is a holding company that provides, through its subsidiaries, investment banking and other related financial services, including municipal advisory, sales, trading and underwriting of taxable and tax-exempt fixed income securities, clearing, securities lending, structured finance and retail brokerage services throughout the United States.

The following historical consolidated data for the periods indicated has been derived from our historical consolidated financial statements included elsewhere in this Annual Report (dollars and shares in thousands, except per share data).

	2025	2024	2023
Statement of Operations Data:			
Net interest income	$ 440,706	$ 417,798	$ 466,847
Provision for credit losses	7,311	941	18,392
Total noninterest income	841,141	770,956	728,973
Total noninterest expense	1,053,473	1,033,556	1,028,309
Income before income taxes	221,063	154,257	149,119
Income tax expense	49,044	31,047	31,140
Net income	172,019	123,210	117,979
Less: Net income attributable to noncontrolling interest	6,428	9,997	8,333
Income attributable to Hilltop	$ 165,591	$ 113,213	$ 109,646
Per Share Data:			
Diluted earnings per common share	$ 2.64	$ 1.74	$ 1.69
Diluted weighted average shares outstanding	$ 62,709	$ 65,046	$ 65,045
Cash dividends declared per common share	$ 0.72	$ 0.68	$ 0.64
Dividend payout ratio [(1)]	27.26 %	39.06 %	37.97 %
Book value per common share (end of year)	$ 36.42	$ 33.71	$ 32.58
Tangible book value per common share [(2)] (end of year)	$ 31.83	$ 29.49	$ 28.35
Balance Sheet Data:			
Total assets	$ 15,844,994	$ 16,268,129	$ 16,466,996
Cash and due from banks	1,231,944	2,298,977	1,858,700
Securities	2,837,050	2,659,661	2,836,584
Loans held for sale	950,142	858,665	943,846
Loans held for investment, net of unearned income	8,311,952	7,950,551	8,079,745
Allowance for credit losses	(91,537)	(101,116)	(111,413)
Total deposits	10,878,080	11,065,322	11,063,192
Notes payable	148,587	347,667	347,145
Total stockholders' equity	2,197,606	2,218,312	2,150,329
Capital Ratios:			
Common equity to assets ratio	13.69 %	13.46 %	12.89 %
Tangible common equity to tangible assets [(2)]	12.17 %	11.98 %	11.41 %

(1) Dividend payout ratio is defined as cash dividends declared per common share divided by basic earnings per common share.
(2) For a reconciliation to the nearest accounting principles generally accepted in the United States ("GAAP") measure, see "—Reconciliation and Management's Explanation of Non-GAAP Financial Measures."

Consolidated income before income taxes during 2025 included the following contributions from our reportable business segments.

- The banking segment contributed $193.2 million of income before income taxes during 2025;
- The broker-dealer segment contributed $67.6 million of income before income taxes during 2025; and
- The mortgage origination segment incurred $17.5 million of losses before income taxes during 2025.

During 2025, we paid an aggregate of $184.0 million to repurchase shares of our common stock and declared and paid total common dividends of $45.4 million.

On January 30, 2025, our board of directors authorized a stock repurchase program through January 2026, pursuant to which we were authorized to repurchase, in the aggregate, up to $100.0 million of our outstanding common stock, which authorization was increased to $135.0 million in July 2025, and to $185.0 million in October 2025.

During 2025, we paid $184.0 million to repurchase an aggregate of 5,705,205 shares of our common stock at an average price of $32.26 per share. During 2024, we paid $19.9 million to repurchase an aggregate of 640,042 shares of our common stock at an average price of $31.04 per share. These shares were repurchased under previous stock repurchase programs and returned to the pool of authorized but unissued shares of common stock.

On January 29, 2026, our board of directors declared a quarterly cash dividend of $0.20 per common share, an 11% increase from the prior quarter, payable on February 27, 2026 to all common stockholders of record as of the close of business on February 13, 2026. Additionally, on January 29, 2026, our board of directors authorized a new stock repurchase program through January 2027, pursuant to which we are authorized to repurchase, in the aggregate, up to $125.0 million of our outstanding common stock. We commenced share repurchases under the stock repurchase program in the first quarter of 2026.

Reconciliation and Management's Explanation of Non-GAAP Financial Measures

We present certain measures in our selected financial data that are not measures of financial performance recognized by GAAP. "Tangible book value per common share" is defined as our total stockholders' equity reduced by goodwill and other intangible assets, divided by total common shares outstanding. "Tangible common equity to tangible assets" is defined as our total stockholders' equity reduced by goodwill and other intangible assets, divided by total assets reduced by goodwill and other intangible assets. These measures are used by management, investors and analysts to assess use of equity. For companies such as ours that have engaged in business combinations, purchase accounting can result in the recording of significant amounts of goodwill and other intangible assets related to those transactions.

You should not view this disclosure as a substitute for results determined in accordance with GAAP, and our disclosure is not necessarily comparable to that of other companies that use non-GAAP measures. The following table reconciles these non-GAAP financial measures to the most comparable GAAP financial measures, "book value per common share" and "equity to total assets" (dollars in thousands, except per share data).

	December 31,		
	2025	**2024**	**2023**
Book value per common share	$ 36.42	$ 33.71	$ 32.58
Effect of goodwill and intangible assets per share	(4.59)	(4.22)	(4.23)
Tangible book value per common share	$ 31.83	$ 29.49	$ 28.35
Hilltop stockholders' equity	$ 2,168,401	$ 2,189,965	$ 2,122,967
Less: goodwill and intangible assets, net	273,052	274,080	275,904
Tangible common equity	$ 1,895,349	$ 1,915,885	$ 1,847,063
Total assets	$ 15,844,994	$ 16,268,129	$ 16,466,996
Less: goodwill and intangible assets, net	273,052	274,080	275,904
Tangible assets	$ 15,571,942	$ 15,994,049	$ 16,191,092
Equity to assets	13.69 %	13.46 %	12.89 %
Tangible common equity to tangible assets	12.17 %	11.98 %	11.41 %

Recent Developments

Notes Redemption

On January 15, 2025 (the "Senior Notes Redemption Date"), we redeemed all of our outstanding 5% senior notes due 2025 (the "Senior Notes") at a redemption price equal to the aggregate principal amount of $150 million, plus accrued and unpaid interest to, but excluding, the Senior Notes Redemption Date (collectively, the "Senior Notes Redemption Price"). The redemption of the Senior Notes was pursuant to the indenture, dated as of April 9, 2015 (the "Senior Notes Indenture"), between the Company and U.S. Bank National Association, as Trustee (solely in its capacity as trustee for the Senior Notes), which permitted the redemption of the Senior Notes beginning 90 days prior to April 15, 2025 (the maturity date of the Senior Notes). The Company irrevocably deposited with the trustee funds using cash on hand in an amount sufficient to pay the Senior Notes Redemption Price on the Senior Notes Redemption Date to satisfy and discharge its obligations under the Senior Notes and the Senior Notes Indenture.

On May 15, 2025 (the "2030 Subordinated Notes Redemption Date"), we redeemed all of our outstanding 5.75% Fixed-to-Floating Subordinated Notes due 2030 (the "2030 Subordinated Notes") at a redemption price equal to the aggregate principal amount of $50 million, plus accrued and unpaid interest to, but excluding, the 2030 Subordinated Notes Redemption Date (collectively, the "2030 Subordinated Notes Redemption Price"). The redemption of the 2030 Subordinated Notes was pursuant to the First Supplemental Indenture, dated as of May 11, 2020 (the "First Supplemental Indenture"), to the Indenture, dated as of May 11, 2020, between the Company and U.S. Bank National Association, as Trustee, which permitted the redemption of the 2030 Subordinated Notes beginning on May 15, 2025 (the date on which the 2030 Subordinated Notes converted from fixed to floating rate). The Company irrevocably deposited with the Trustee funds using cash on hand in an amount sufficient to pay the 2030 Subordinated Notes Redemption Price on the 2030 Subordinated Notes Redemption Date to satisfy and discharge its obligations under the 2030 Subordinated Notes and the First Supplemental Indenture.

Merchant Bank Transaction

In January 2025, our merchant bank subsidiary entered into a definitive agreement to sell all of the capital stock of Moser Acquisition, Inc. to Atlas Energy Solutions Inc. ("Atlas") for consideration including cash and Atlas common stock. On February 24, 2025, the sale of the operations associated with our approximate 30% aggregate interest in Moser Holdings, LLC, which owns Moser Acquisition, Inc., was consummated. Our aggregate interest in Moser Holdings, LLC included equity investments that were included, and will continue to be included, within other assets in the consolidated balance sheets until liquidation of Moser Holdings, LLC. An initial pre-tax gain of $30.5 million ($23.6 million net of tax) was recorded during the first quarter of 2025 based on our aggregate interest in Moser Holdings, LLC and reported primarily as a component of other noninterest income within the consolidated statements of operations. Subsequently, during 2025, we recorded additional net adjustments associated with our aggregate interest in Moser Holdings, LLC and the liquidation Atlas common stock that resulted in an aggregate pre-tax gain during 2025 of $27.8 million ($21.6 million net of tax). The gain is subject to change given customary post-closing adjustments and the liquidation of Moser Holdings, LLC.

Settlement Agreement & Releases

In April 2025, PrimeLending entered into multiple Settlement Agreement & Releases (the "Settlements") related to a matter whereby PrimeLending received an aggregate of $9.5 million from the respective parties thereto. The full amount associated with the Settlements was recorded within other noninterest income in the consolidated statement of operations during the second quarter of 2025.

Economic Environment

Our balance sheet, operating results and certain metrics during 2025 reflected uncertainty around general economic, market and business conditions that remain uncertain for 2026. The extent of the impacts of uncertain economic conditions on our financial performance during 2026 will depend in part on several developments outside of our control including, among others, changes in the political environment, the impact of tariffs and reciprocal tariffs, the timing and

significance of further changes in U.S. treasury yields and mortgage interest rates, and a volatile economic forecast. These economic conditions, coupled with exposure to changes in funding costs, inflationary pressures, and international armed conflicts and their impact on supply chains within our business segments during 2024 and 2025 have had, and are expected to continue to have, an adverse impact on our operating results during 2026.

Uncertainty around general economic, market and business conditions impacts our ability to estimate credit losses and the allowance for credit losses, as well as the effects of changes in the level of, and trends in, loan delinquencies and write-offs. Significant judgment is required to estimate the severity and duration of the current economic uncertainties, as well as its potential impact on borrower cash flow. While all industries could experience volatility and adverse impacts, certain of our loan portfolio industry sectors and subsectors, including office buildings, retail, hotel/motel and auto note financing, have an increased level of risk given business and consumer sensitivity to interest rates and the size and permanence of tariffs. Refer to the discussions in the "Financial Condition – Loan Portfolio" and "Financial Condition – Allowance for Credit Losses" sections that follow for more details regarding the Bank's loan portfolio and significant assumptions and estimates involved in estimating credit losses.

Historically, high-profile banking failures have periodically increased market uncertainty and concerns associated with banking sector liquidity positions, increased regulatory scrutiny and underscored the importance of maintaining access to diverse sources of funding. In light of these events, we have continued our efforts to monitor deposit flows and balance sheet trends to ensure that our liquidity needs and financial flexibility are maintained. During 2024, we increased interest-bearing deposit rates to address rising market interest rates and intense competition for liquidity to combat deposit outflows. Throughout 2024, we experienced net interest margin compression reflecting deposit repricing activity and demand deposit migration into interest-bearing accounts. Despite deposit costs remaining elevated throughout 2025, we took actions to reduce the interest paid on our interest-bearing deposits. Additionally, at December 31, 2025, we continued to access core deposits from our Hilltop Securities Federal Deposit Insurance Corporation ("FDIC") insured sweep program, while the Bank was not utilizing any of its Federal Home Loan Bank ("FHLB") borrowing capacity.

We expect that overall deposit funding costs will continue to be influenced by various factors, including, but not limited to competitive pressures, broader economic conditions, future changes in the target range for the federal funds rate, customer behavior and our liquidity position at that time. An unexpected influx of withdrawals of deposits could adversely impact our ability to rely on organic deposits to primarily fund our operations, potentially requiring greater reliance on secondary sources of liquidity to meet withdrawals of deposits or to fund continuing operations. These sources may include proceeds from FHLB advances, sales of investment securities and loans, federal fund lines of credit with correspondent banks, securities sold under agreements to repurchase, brokered time deposits, borrowings from the Federal Reserve and borrowings under lines of credit with other financial institutions. Refer to the discussions in the "Segment Results – Banking Segment" and "Liquidity and Capital Resources – Banking Segment" sections that follow for more details regarding the Bank's deposits, available liquidity and borrowing capacity at December 31, 2025.

We expect uncertainties related to economic headwinds discussed above, the impact of interest rate movements on the shape and inversions of the yield curve, and the continued active management of deposits and related funding costs that persisted through 2024 and 2025, to continue in 2026.

See "Item 1A. Risk Factors" for additional discussion of the potential adverse impacts of unpredictable economic, market and business conditions on our business, results of operations and financial condition.

Asset Valuation

At each reporting date between annual impairment tests, we consider potential indicators of impairment, including the condition of the economy and financial services industry; government intervention and regulatory updates; the impact of recent events to financial performance and cost factors of the business segment; performance of our stock and other relevant events.

Continuing macroeconomic challenges related to mortgage loan origination volumes, customer sensitivity to interest rates and resulting demand for certain products have resulted in a challenging environment associated with the mortgage origination segment's short- and long-term financial condition, resulting in variability in its operating results.

Given the potential impacts of the operating performance of our reporting segments and overall economic conditions, actual results may differ materially from our current estimates as the scope of such impacts evolves or if the duration of business disruptions are longer than currently anticipated. We further considered the amount by which fair value exceeded book value in the most recent quantitative analysis and sensitivities performed. Accordingly, at the conclusion of the annual assessments, we determined that as of October 1, 2025 it was more likely than not that the fair value of goodwill and other intangible assets exceeded their respective carrying values. We continue to monitor developments regarding overall economic conditions, market capitalization, and any other triggering events or circumstances that may indicate an impairment in the future.

To the extent future operating performance of our reporting segments remain challenged and below forecasted projections during 2026, significant assumptions such as expected future cash flows or the risk-adjusted discount rate used to estimate fair value are adversely impacted, or upon the occurrence of what management would deem to be a triggering event that could, under certain circumstances, cause us to perform impairment tests on our goodwill and other intangible assets, an impairment charge may be recorded for that period. In the event that we conclude that all or a portion of our goodwill and other intangible assets are impaired, a non-cash charge for the respective amount of such impairment would be recorded to earnings. Such a charge would have no impact on tangible capital or regulatory capital.

Factors Affecting Results of Operations

As a financial institution providing products and services through our banking, broker-dealer and mortgage origination segments, we are directly affected by general economic and market conditions, many of which are beyond our control and unpredictable. A key factor impacting our results of operations is changes in the level of interest rates in addition to twists in the shape of the yield curve with the magnitude and direction of the impact varying across the different lines of business. Other factors impacting our results of operations include, but are not limited to, fluctuations in volume and price levels of securities, inflation, political events, investor confidence, investor participation levels, legal, regulatory, and compliance requirements and competition. All of these factors have the potential to impact our financial position, operating results and liquidity. In addition, the recent economic and political environment has led to legislative and regulatory initiatives, both enacted and proposed, that could substantially change the regulation of the financial services industry and may significantly impact us.

Acquisitions

On November 30, 2012, we acquired PlainsCapital Corporation pursuant to a plan of merger whereby PlainsCapital Corporation merged with and into our wholly owned subsidiary (the "PlainsCapital Merger"), which continued as the surviving entity under the name "PlainsCapital Corporation". Concurrent with the consummation of the PlainsCapital Merger, Hilltop became a financial holding company registered under the Bank Holding Company Act of 1956.

On September 13, 2013, the Bank assumed substantially all of the liabilities, including all of the deposits, and acquired substantially all of the assets of Edinburg, Texas-based FNB from the FDIC, as receiver, and reopened former branches of FNB acquired from the FDIC under the "PlainsCapital Bank" name (the "FNB Transaction").

On January 1, 2015, we acquired SWS in a stock and cash transaction (the "SWS Merger"), whereby SWS's broker-dealer subsidiaries became subsidiaries of Securities Holdings and SWS's banking subsidiary, Southwest Securities, FSB, was merged into the Bank. On October 5, 2015, Southwest Securities, Inc. was renamed "Hilltop Securities Inc."

On August 1, 2018, we acquired privately-held, Houston-based BORO in an all-cash transaction ("BORO Acquisition"). In connection with the BORO Acquisition, we merged BORO into the Bank, and all customer accounts were converted to the PlainsCapital Bank platform.

Segment Information

The Company has two primary business units, PCC (banking and mortgage origination) and Securities Holdings (broker-dealer). Under GAAP, the Company's units are comprised of three reportable business segments organized primarily by the core products offered to the segments' respective customers: banking, broker-dealer and mortgage origination. Consistent with our historical segment operating results, we anticipate that future revenues will be driven primarily from the banking segment, with the remainder being generated by our broker-dealer and mortgage origination segments. Operating results for the mortgage origination segment have historically been more volatile than operating results for the banking and broker-dealer segments.

The banking segment includes the operations of the Bank. The banking segment primarily provides business and consumer banking services from offices located throughout Texas and generates revenue from its portfolio of earning assets. The Bank's results of operations are primarily dependent on net interest income. The Bank also derives revenue from other sources, including service charges on customer deposit accounts and trust fees.

The broker-dealer segment includes the operations of Securities Holdings, which operates through its wholly owned subsidiaries Hilltop Securities, Momentum Independent Network and Hilltop Securities Asset Management, LLC. The broker-dealer segment generates a majority of its revenues from fees and commissions earned from investment advisory and securities brokerage services. Hilltop Securities is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and the Financial Industry Regulatory Authority, Inc. ("FINRA") and a member of the New York Stock Exchange. Momentum Independent Network is an introducing broker-dealer that is also registered with the SEC and FINRA. Hilltop Securities and Momentum Independent Network are both registered with the Commodity Futures Trading Commission as non-guaranteed introducing brokers and as members of the National Futures Association. Additionally, Hilltop Securities, Momentum Independent Network and Hilltop Securities Asset Management, LLC are investment advisers registered with the SEC under the Investment Advisers Act of 1940, as amended.

The mortgage origination segment includes the operations of PrimeLending, which offers a variety of loan products and generates revenue predominantly from fees charged on the origination and servicing of loans and from selling these loans in the secondary market.

Corporate includes certain activities not allocated to specific business segments. These activities include holding company financing and investing activities, merchant banking investment opportunities, and management and administrative services to support the overall operations of the Company.

The eliminations of intercompany transactions are included in "All Other and Eliminations." Additional information concerning our reportable business segments is presented in Note 27, "Segment and Related Information," in the notes to our consolidated financial statements.

The following table presents certain information about the continuing operating results of our reportable business segments (in thousands). This table serves as a basis for the discussion and analysis in the segment operating results sections that follow.

	Year Ended December 31,			Variance 2025 vs 2024		Variance 2024 vs 2023	
	2025	2024	2023	Amount	Percent	Amount	Percent
Net interest income (expense):							
Banking	$ 382,052	$ 372,546	$ 397,936	$ 9,506	3	$ (25,390)	(6)
Broker-Dealer	50,272	48,942	52,894	1,330	3	(3,952)	(7)
Mortgage Origination	(7,934)	(16,867)	(20,305)	8,933	53	3,438	17
Corporate	(283)	(12,838)	(12,961)	12,555	98	123	1
All Other and Eliminations [1]	16,599	26,015	49,283	(9,416)	(36)	(23,268)	(47)
Hilltop Consolidated	$ 440,706	$ 417,798	$ 466,847	$ 22,908	5	$ (49,049)	(11)
Provision for (reversal of) credit losses:							
Banking	$ 7,335	$ 992	$ 18,525	$ 6,343	639	$ (17,533)	(95)
Broker-Dealer	(24)	(51)	(133)	27	53	82	62
Mortgage Origination	—	—	—	—	—	—	—
Corporate	—	—	—	—	—	—	—
All Other and Eliminations	—	—	—	—	—	—	—
Hilltop Consolidated	$ 7,311	$ 941	$ 18,392	$ 6,370	677	$ (17,451)	(95)
Noninterest income:							
Banking	$ 46,058	$ 43,295	$ 45,830	$ 2,763	6	$ (2,535)	(6)
Broker-Dealer	450,754	422,801	403,538	27,953	7	19,263	5
Mortgage Origination	310,876	313,229	316,840	(2,353)	(1)	(3,611)	(1)
Corporate	51,137	18,515	12,887	32,622	176	5,628	44
All Other and Eliminations [1]	(17,684)	(26,884)	(50,122)	9,200	34	23,238	46
Hilltop Consolidated	$ 841,141	$ 770,956	$ 728,973	$ 70,185	9	$ 41,983	6
Noninterest expense:							
Banking	$ 227,601	$ 232,954	$ 226,234	$ (5,353)	(2)	$ 6,720	3
Broker-Dealer	433,463	408,283	383,024	25,180	6	25,259	7
Mortgage Origination	320,463	330,088	359,285	(9,625)	(3)	(29,197)	(8)
Corporate	73,089	63,110	60,631	9,979	16	2,479	4
All Other and Eliminations	(1,143)	(879)	(865)	(264)	(30)	(14)	(2)
Hilltop Consolidated	$ 1,053,473	$ 1,033,556	$ 1,028,309	$ 19,917	2	$ 5,247	1
Income (loss) before taxes:							
Banking	$ 193,174	$ 181,895	$ 199,007	$ 11,279	6	$ (17,112)	(9)
Broker-Dealer	67,587	63,511	73,541	4,076	6	(10,030)	(14)
Mortgage Origination	(17,521)	(33,726)	(62,750)	16,205	48	29,024	46
Corporate	(22,235)	(57,433)	(60,705)	35,198	61	3,272	5
All Other and Eliminations	58	10	26	48	480	(16)	(62)
Hilltop Consolidated	$ 221,063	$ 154,257	$ 149,119	$ 66,806	43	$ 5,138	3

(1) All other and eliminations amounts during each period include FDIC sweep program revenues and expenses earned on broker-dealer segment deposits placed with the banking segment that are eliminated in consolidation.

Key Performance Indicators

We utilize several key indicators of financial condition and operating performance to evaluate the various aspects of our business. In addition to traditional financial metrics, such as revenue and growth trends, we monitor several other financial measures and non-financial operating metrics to help us evaluate growth trends, measure the adequacy of our capital based on regulatory reporting requirements, measure the effectiveness of our operations and assess operational efficiencies. These indicators change from time to time as the opportunities and challenges in our businesses change.

Performance ratios and asset quality ratios are typically used for measuring the performance of banking and financial institutions. We consider return on average stockholders' equity, return on average assets and net interest margin to be important supplemental measures of operating performance that are commonly used by securities analysts, investors and other parties interested in the banking and financial industry. The net recoveries (charge-offs) to average loans outstanding ratio is also considered a key measure for our banking segment as it indicates the performance of our loan portfolio.

In addition, we consider regulatory capital ratios to be key measures that are used by us, as well as banking regulators, investors and analysts, to assess our regulatory capital position and to compare our regulatory capital to that of other financial services companies. We monitor our capital strength in terms of both leverage ratio and risk-based capital ratios

based on capital requirements administered by the federal banking agencies. The risk-based capital ratios are minimum supervisory ratios generally applicable to banking organizations, but banking organizations are widely expected to operate with capital positions well above the minimum ratios. Failure to meet minimum capital requirements can initiate certain mandatory actions by regulators that, if undertaken, could have a material effect on our financial condition or results of operations.

How We Generate Revenue

We generate revenue from net interest income and from noninterest income. Net interest income represents the difference between the income earned on our assets, including our loans and investment securities, and our cost of funds, including the interest paid on the deposits and borrowings that are used to support our assets. Net interest income is a significant contributor to our operating results. Fluctuations in interest rates, as well as the amounts and types of interest-earning assets and interest-bearing liabilities we hold, affect net interest income. We generated $440.7 million in net interest income during 2025, compared with net interest income of $417.8 million and $466.8 million during 2024 and 2023, respectively. The change in reportable business segment net interest income during 2025, compared with 2024, primarily reflected significant improvements within corporate and the banking and mortgage origination segments.

The other component of our revenue is noninterest income, which is primarily comprised of the following:

(i) *Income from broker-dealer operations.* Through Securities Holdings, we provide investment banking and other related financial services that generated $253.8 million, $250.8 million and $218.9 million in principal transactions, commissions and fees and $181.3 million, $143.0 million and $134.3 million in investment banking, advisory and administrative fees during 2025, 2024 and 2023, respectively.

(ii) *Income from mortgage operations.* Through PrimeLending, we generate noninterest income by originating and selling mortgage loans. During 2025, 2024 and 2023, we generated $301.2 million, $313.1 million and $316.7 million, respectively, in net gains from sale of loans, other mortgage production income (including income associated with retained mortgage servicing rights), and mortgage loan origination fees.

In the aggregate, we generated $841.1 million, $771.0 million and $729.0 million in noninterest income during 2025, 2024 and 2023, respectively. The increase in noninterest income during 2025, compared with 2024, was predominantly attributable, as noted in the segment results table previously presented, primarily due to an increase in pre-tax gains associated with merchant bank equity investment activity within corporate and increased noninterest income within our broker-dealer segment from increased investment banking, advisory and administrative fees partially offset by a reduction in principal transactions, commission and fees.

We also incur noninterest expenses in the operation of our businesses. Our businesses engage in labor intensive activities and, consequently, employees' compensation and benefits represent the majority of our noninterest expenses.

Consolidated Operating Results

Income applicable to common stockholders during 2025 was $165.6 million, or $2.64 per diluted share, compared with $113.2 million, or $1.74 per diluted share, during 2024, and $109.6 million, or $1.69 per diluted share, during 2023. Hilltop's financial results during 2025 and 2024, compared with 2024 and 2023, respectively, are discussed in more detail below and within the respective "Banking Segment," "Broker-Dealer Segment," "Mortgage Origination Segment" and "Corporate" segment results sections that follow.

Certain items included in net income during 2025, 2024 and 2023 resulted from purchase accounting associated with the PlainsCapital Merger, the FNB Transaction, the SWS Merger and the BORO Acquisition (collectively, the "Bank Transactions"). Income before income taxes during 2025, 2024 and 2023 included net accretion on earning assets and liabilities of $3.1 million, $5.1 million and $8.6 million, respectively, and amortization of identifiable intangibles of $1.0 million, $1.8 million and $2.9 million, respectively, related to the Bank Transactions.

The information shown in the table below includes certain key performance indicators on a consolidated basis.

	Year Ended December 31,		
	2025	2024	2023
Return on average stockholders' equity [1]	7.60 %	5.29 %	5.31 %
Return on average assets [2]	1.10 %	0.78 %	0.71 %
Net interest margin [3] [4]	2.98 %	2.81 %	3.07 %
Leverage ratio [5] (end of year)	12.78 %	12.57 %	12.23 %
Common equity Tier 1 risk-based capital ratio [6] (end of year)	19.70 %	21.23 %	19.32 %

(1) Return on average stockholders' equity is defined as consolidated income attributable to Hilltop divided by average total Hilltop stockholders' equity.
(2) Return on average assets is defined as consolidated net income divided by average assets.
(3) Net interest margin is defined as net interest income divided by average interest-earning assets. We consider net interest margin as a key indicator of profitability as it represents interest earned on our interest-earning assets compared to interest incurred.
(4) The securities financing operations within our broker-dealer segment had the effect of lowering both net interest margin and taxable equivalent net interest margin by 27 basis points, 24 basis points and 26 basis points during 2025, 2024 and 2023, respectively.
(5) The leverage ratio is a regulatory capital ratio and is defined as Tier 1 risk-based capital divided by average consolidated assets.
(6) The common equity Tier 1 risk-based capital ratio is a regulatory capital ratio and is defined as common equity Tier 1 risk-based capital divided by risk weighted assets. Common equity includes common equity Tier 1 capital (common stockholders' equity and certain minority interests in the equity capital accounts of consolidated subsidiaries, but excluding goodwill and various intangible assets) and additional Tier 1 capital (certain qualifying minority interests not included in common equity Tier 1 capital, certain preferred stock and related surplus, and certain subordinated debt).

We present net interest margin and net interest income on a taxable-equivalent basis below. Net interest margin (taxable equivalent), a non-GAAP measure, is defined as taxable equivalent net interest income divided by average interest earning assets. Taxable equivalent adjustments are based on the applicable corporate federal income tax rate of 21% for all periods presented. The Company performs periodic reviews of the classification and categorization of the components impacting the calculation of net interest margin. The interest income earned on certain earning assets is completely or partially exempt from federal income tax. As such, these tax-exempt instruments typically yield lower returns than taxable investments. To provide more meaningful comparisons of net interest margins for all earning assets, we use net interest income on a taxable-equivalent basis in calculating net interest margin by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments.

During 2025, 2024 and 2023, purchase accounting contributed 2, 4 and 6 basis points, respectively, to our consolidated taxable equivalent net interest margin of 3.00%, 2.83% and 3.09%, respectively. The purchase accounting activity is primarily related to the accretion of discount on loans which totaled $3.1 million, $5.1 million and $8.6 million during 2025, 2024 and 2023, respectively, associated with the Bank Transactions.

The table below provides additional details regarding our consolidated net interest income (dollars in thousands).

	Year Ended December 31,								
	2025			2024			2023		
	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate
Assets									
Interest-earning assets									
Loans held for sale	$ 867,819	$ 53,173	6.04 %	$ 934,983	$ 53,073	5.60 %	$ 944,470	$ 53,736	5.69 %
Loans held for investment, gross [1]	8,079,525	472,631	5.85 %	7,921,528	491,432	6.20 %	7,950,878	488,538	6.23 %
Investment securities - taxable	2,473,448	101,133	4.09 %	2,537,856	107,007	4.16 %	2,726,763	108,250	3.97 %
Investment securities - non-taxable [2]	367,405	15,965	4.35 %	324,684	12,638	3.84 %	363,493	13,463	3.70 %
Federal funds sold and securities purchased under agreements to resell	83,809	5,220	6.23 %	98,337	7,232	7.35 %	145,696	8,954	6.15 %
Interest-bearing deposits in other financial institutions	1,347,736	56,014	4.16 %	1,526,748	75,633	4.95 %	1,597,865	79,657	4.99 %
Securities borrowed	1,432,071	75,281	5.18 %	1,355,554	77,785	5.66 %	1,409,765	71,924	5.03 %
Other	125,634	7,876	6.27 %	159,141	14,041	8.82 %	65,912	16,554	25.11 %
Interest-earning assets, gross [2]	14,777,447	787,293	5.33 %	14,858,831	838,841	5.65 %	15,204,842	841,076	5.53 %
Allowance for credit losses	(99,869)			(110,123)			(103,975)		
Interest-earning assets, net	14,677,578			14,748,708			15,100,867		
Noninterest-earning assets	970,075			1,130,198			1,404,393		
Total assets	$ 15,647,653			$ 15,878,906			$ 16,505,260		
Liabilities and Stockholders' Equity									
Interest-bearing liabilities									
Interest-bearing deposits	$ 7,960,778	$ 228,275	2.87 %	$ 7,822,536	$ 275,291	3.52 %	$ 7,711,570	$ 223,179	2.89 %
Securities loaned	1,424,189	67,848	4.76 %	1,335,155	72,614	5.44 %	1,331,443	65,175	4.90 %
Notes payable and other borrowings	964,521	47,221	4.90 %	1,397,313	70,686	5.06 %	1,579,170	83,174	5.27 %
Total interest-bearing liabilities	10,349,488	343,344	3.32 %	10,555,004	418,591	3.97 %	10,622,183	371,528	3.50 %
Noninterest-bearing liabilities									
Noninterest-bearing deposits	2,730,336			2,824,450			3,441,437		
Other liabilities	360,196			332,340			351,938		
Total liabilities	13,440,020			13,711,794			14,415,558		
Stockholders' equity	2,180,098			2,139,732			2,063,174		
Noncontrolling interest	27,535			27,380			26,528		
Total liabilities and stockholders' equity	$ 15,647,653			$ 15,878,906			$ 16,505,260		
Net interest income [2]		$ 443,949			$ 420,250			$ 469,548	
Net interest spread [2]			2.01 %			1.68 %			2.03 %
Net interest margin [2]			3.00 %			2.83 %			3.09 %

(1) Average balance includes non-accrual loans.
(2) Presented on a taxable equivalent basis with taxable equivalent adjustments based on the applicable corporate federal income tax rate of 21% for the periods presented. The adjustment to interest income was $3.2 million, $2.5 million and $2.7 million during 2025, 2024 and 2023, respectively.

The banking segment's net interest margin exceeds our consolidated net interest margin shown above. Our consolidated net interest margin includes certain items that are not reflected in the calculation of our net interest margin within our banking segment and reduce our consolidated net interest margin, such as the borrowing costs of Hilltop and the yields and costs associated with certain items within interest-earning assets and interest-bearing liabilities, such as securities borrowed in the broker-dealer segment and securities loaned in the broker-dealer segment, including items related to securities financing operations that particularly decrease net interest margin. In addition, yields and costs on certain interest-earning assets, such as lines of credit extended to other operating segments by the banking segment, are eliminated from the consolidated financial statements.

On a consolidated basis, the changes in net interest income during 2025, compared with 2024, were primarily due to decreased costs of deposits from rate decreases and decreased interest costs from the redemption of certain notes payable, partially offset by decreased interest income from loans held for investment yields and interest-bearing deposit yields from rate decreases. Refer to the discussion in the "Banking Segment" section that follows for more details on the

changes in net interest income, including the component changes in the volume of average interest-earning assets and interest-bearing liabilities and changes in the rates earned or paid on those items.

The provision for (reversal of) credit losses is determined by management as the amount necessary to maintain the allowance for credit losses at the amount of expected credit losses inherent within the loans held for investment portfolio. The amount of expense and the corresponding level of allowance for credit losses for loans are based on our evaluation of the collectability of the loan portfolio based on historical loss experience, reasonable and supportable forecasts, and other significant qualitative and quantitative factors. Substantially all of our consolidated provision for (reversal of) credit losses is related to the banking segment. During 2025, the provision for credit losses was primarily driven by a build in the allowance related to specific reserves and higher net charge-offs, partially offset by changes in the U.S. economic outlook and portfolio changes associated with collectively evaluated loans, including changes in loan mix and risk rating grade migration since December 31, 2024. During 2024, the provision for credit losses reflected a build in the allowance related to specific reserves, significantly offset by both the change in the U.S. economic outlook and changes in the collectively evaluated loan portfolio. Refer to the discussion in the "Financial Condition – Allowance for Credit Losses on Loans" section that follows for more details regarding the significant assumptions and estimates involved in estimating credit losses.

Noninterest income increased during 2025, compared with 2024, primarily due to a pre-tax gain of $27.8 million associated with the sale of operations by a merchant bank equity investment in the first quarter of 2025, while other changes between periods included net increases within the broker-dealer segment's public finance, wealth management and fixed income business lines, partially offset by a net decrease within the broker-dealer segment's structured finance business line, and increases in net gains from sale of loans and other mortgage production income within our mortgage loan origination segment, partially offset by a decrease of mortgage loan origination fees within our mortgage origination segment. The increase in noninterest income during 2024, compared with 2023, was primarily due to net increases within the broker-dealer segment's structured finance and public finance services business lines, an increase in pre-tax gains associated with the sale of merchant bank equity investments within corporate and increases in mortgage loan gains from sale of loans within the mortgage origination segment, partially offset by declines in mortgage loan origination fees and other related income within the mortgage origination segment and declines within the broker-dealer segment's fixed income services and wealth management business lines.

Noninterest expense increased during 2025, compared with 2024, primarily due to increases in both variable and non-variable compensation within our broker-dealer segment and an increase in variable compensation within our mortgage origination segment and within corporate associated with the sale of certain merchant bank equity investments during 2025, partially offset by a decrease in other segment operating costs within our mortgage origination segment. We continued to experience increases in certain noninterest expenses during 2025 and 2024, compared with respective prior periods, including compensation, occupancy, and software costs, due to inflationary pressures. We expect such inflationary headwinds to continue during 2026.

Effective income tax rates were 22.2%, 20.1% and 20.9% for 2025, 2024 and 2023, respectively. The effective tax rate for 2025 was higher than the applicable statutory rate primarily due to the impact of nondeductible expenses, nondeductible compensation expense and other permanent adjustments, partially offset by investments in tax-exempt instruments, state refund claims and return to provision adjustments. The effective tax rate for 2024 was lower than the applicable statutory rate primarily due to investments in tax-exempt instruments, state refund claims and return to provision adjustments, partially offset by the impact of nondeductible expenses, nondeductible compensation expense and other permanent adjustments.

Segment Results

Banking Segment

The following table presents certain information about the operating results of our banking segment (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net interest income	$ 382,052	$ 372,546	$ 397,936	$ 9,506	$ (25,390)
Provision for credit losses	7,335	992	18,525	6,343	(17,533)
Noninterest income	46,058	43,295	45,830	2,763	(2,535)
Noninterest expense	227,601	232,954	226,234	(5,353)	6,720
Income before income taxes	$ 193,174	$ 181,895	$ 199,007	$ 11,279	$ (17,112)

The increase in income before income taxes during 2025, compared with 2024, was primarily due to an increase in net interest income and a decrease in noninterest expense, partially offset by an increase in the provision for credit losses. The decrease in income before income taxes during 2024, compared with 2023, was primarily due to a decline in net interest income and an increase in noninterest expense, partially offset by a decline in the provision for credit losses. Changes to net interest income related to the component changes in the volume of average interest-earning assets and interest-bearing liabilities and changes in the rates earned or paid on those items are discussed in more detail below.

As discussed in more detail below, the banking segment's cost of deposits decreased during 2025 primarily due to lower rates on interest-bearing deposits on certain products and product tiers in conjunction with rate reductions by the Federal Reserve to lower the effective funds rate. We are continuing to actively manage our overall deposit costs and anticipate potential opportunities to further lower interest-bearing deposit rates. Future decisions on the costs of deposits will be influenced by various factors, including, but not limited to competitive pressures, broader economic conditions, future changes in the target range for the federal funds rate, customer behavior and our liquidity position at that time.

The information shown in the table below includes certain key indicators of the performance and asset quality of our banking segment.

	Year Ended December 31,		
	2025	2024	2023
Efficiency ratio [(1)]	53.16 %	56.02 %	50.98 %
Return on average assets [(2)]	1.17 %	1.10 %	1.15 %
Net interest margin [(3)]	3.16 %	3.04 %	3.13 %
Net recoveries (charge-offs) to average loans outstanding [(4)]	(0.22)%	(0.15)%	(0.03)%

(1) Efficiency ratio is defined as noninterest expenses divided by the sum of total noninterest income and net interest income for the period. We consider the efficiency ratio to be a measure of the banking segment's profitability.
(2) Return on average assets is defined as net income divided by average assets.
(3) Net interest margin is defined as net interest income divided by average interest-earning assets. We consider net interest margin as a key indicator of profitability, as it represents interest earned on interest-earning assets compared to interest incurred.
(4) Net charge-offs to average loans outstanding is defined as the greater of recoveries or charge-offs during the reported period minus charge-offs or recoveries divided by average loans outstanding. We use the ratio to measure the credit performance of our loan portfolio.

The banking segment presents net interest margin and net interest income in the following discussion and table below, on a taxable equivalent basis. Net interest margin (taxable equivalent), a non-GAAP measure, is defined as taxable equivalent net interest income divided by average interest-earning assets. Taxable equivalent adjustments are based on the applicable corporate federal income tax rates of 21% for all periods presented. The banking segment performs periodic reviews of the classification and categorization of the components impacting the calculation of net interest margin. The interest income earned on certain earning assets is completely or partially exempt from federal income tax. As such, these tax-exempt instruments typically yield lower returns than taxable investments. To provide more meaningful comparisons of net interest margins for all earning assets, we use net interest income on a taxable equivalent basis in calculating net interest margin by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments.

During 2025, 2024 and 2023, purchase accounting contributed 3, 4 and 7 basis points, respectively, to the banking segment's taxable equivalent net interest margin of 3.17%, 3.04% and 3.14%, respectively. These purchase accounting items are primarily related to accretion of discount on loans associated with the Bank Transactions presented in the Consolidated Operating Results section.

The table below provides additional details regarding our banking segment's net interest income (dollars in thousands).

	Year Ended December 31,								
	2025			2024			2023		
	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate	Average Outstanding Balance	Interest Earned or Paid	Annualized Yield or Rate
Assets									
Interest-earning assets									
Loans held for sale	$ 11,408	$ 649	5.69 %	$ 8,642	$ 126	1.46 %	$ —	$ —	— %
Loans held for investment, gross [1]	7,736,521	447,602	5.78 %	7,685,903	463,133	6.02 %	7,786,984	454,132	5.83 %
Subsidiary warehouse lines of credit	861,671	60,173	6.89 %	866,178	68,786	7.83 %	867,011	70,024	7.97 %
Investment securities - taxable	2,053,388	66,902	3.26 %	2,094,809	70,051	3.34 %	2,284,654	72,771	3.19 %
Investment securities - non-taxable [2]	107,249	3,793	3.54 %	109,720	3,717	3.39 %	112,408	3,907	3.48 %
Federal funds sold and securities purchased under agreements to resell	41,141	1,919	4.66 %	72,512	3,990	5.50 %	67,011	3,575	5.41 %
Interest-bearing deposits in other financial institutions	1,239,929	53,813	4.34 %	1,381,911	71,974	5.21 %	1,543,471	79,657	5.16 %
Other	38,485	1,591	4.14 %	38,155	1,723	4.52 %	50,673	2,353	4.64 %
Interest-earning assets, gross [2]	12,089,792	636,442	5.26 %	12,257,830	683,500	5.58 %	12,712,212	686,419	5.40 %
Allowance for credit losses	(99,770)			(109,975)			(103,180)		
Interest-earning assets, net	11,990,022			12,147,855			12,609,032		
Noninterest-earning assets	747,901			781,834			848,093		
Total assets	$ 12,737,923			$ 12,929,689			$ 13,457,125		
Liabilities and Stockholders' Equity									
Interest-bearing liabilities									
Interest-bearing deposits	$ 7,974,038	$ 246,702	3.09 %	$ 7,747,864	$ 296,505	3.83 %	$ 7,578,587	$ 265,560	3.50 %
Notes payable and other borrowings	282,693	7,000	2.48 %	476,666	13,870	2.91 %	579,462	22,230	3.84 %
Total interest-bearing liabilities	8,256,731	253,702	3.07 %	8,224,530	310,375	3.77 %	8,158,049	287,790	3.53 %
Noninterest-bearing liabilities									
Noninterest-bearing deposits	2,887,595			3,048,989			3,582,356		
Other liabilities	93,095			103,531			156,980		
Total liabilities	11,237,421			11,377,050			11,897,385		
Stockholders' equity	1,500,502			1,552,639			1,559,740		
Total liabilities and stockholders' equity	$ 12,737,923			$ 12,929,689			$ 13,457,125		
Net interest income [2]		$ 382,740			$ 373,125			$ 398,629	
Net interest spread [2]			2.19 %			1.81 %			1.87 %
Net interest margin [2]			3.17 %			3.04 %			3.14 %

(1) Average balance includes non-accrual loans.

(2) Presented on a taxable equivalent basis with taxable equivalent adjustments based on the applicable corporate federal income tax rates of 21% for all periods presented. The adjustment to interest income was $0.7 million, $0.6 million and $0.7 million during 2025, 2024 and 2023, respectively.

The banking segment's net interest margin exceeds our consolidated net interest margin. Our consolidated net interest margin includes certain items that are not reflected in the calculation of our net interest margin within our banking segment and reduce our consolidated net interest margin, such as the borrowing costs of Hilltop and the yields and costs associated with certain items within interest-earning assets and interest-bearing liabilities, such as securities borrowed in the broker-dealer segment and securities loaned in the broker-dealer segment, including items related to securities financing operations that particularly decrease net interest margin. In addition, yields and costs on certain interest-earning assets, such as lines of credit extended to other operating segments by the banking segment, are eliminated from the consolidated financial statements.

The following table summarizes the changes in the banking segment's net interest income for the periods indicated below, including the component changes in the volume of average interest-earning assets and interest-bearing liabilities and changes in the rates earned or paid on those items (in thousands).

	Year Ended December 31,					
	2025 vs. 2024			2024 vs. 2023		
	Change Due To [1]			Change Due To [1]		
	Volume	Yield/Rate	Change	Volume	Yield/Rate	Change
Interest income						
Loans held for sale	$ 40	$ 483	$ 523	$ —	$ 126	$ 126
Loans held for investment, gross [2]	3,047	(18,578)	(15,531)	(5,893)	14,894	9,001
Subsidiary warehouse lines of credit [3]	(353)	(8,260)	(8,613)	(66)	(1,172)	(1,238)
Investment securities - taxable	(1,383)	(1,766)	(3,149)	(6,047)	3,327	(2,720)
Investment securities - non-taxable [4]	(84)	160	76	(93)	(97)	(190)
Federal funds sold and securities purchased under agreements to resell	(1,725)	(346)	(2,071)	298	117	415
Interest-bearing deposits in other financial institutions	(7,397)	(10,764)	(18,161)	(8,338)	655	(7,683)
Other	15	(147)	(132)	(581)	(49)	(630)
Total interest income [4]	(7,840)	(39,218)	(47,058)	(20,720)	17,801	(2,919)
Interest expense						
Deposits	$ 8,662	$ (58,465)	$ (49,803)	$ 5,932	$ 25,013	$ 30,945
Notes payable and other borrowings	(5,645)	(1,225)	(6,870)	(3,944)	(4,416)	(8,360)
Total interest expense	3,017	(59,690)	(56,673)	1,988	20,597	22,585
Net interest income [4]	$ (10,857)	$ 20,472	$ 9,615	$ (22,708)	$ (2,796)	$ (25,504)

(1) Changes attributable to both volume and yield/rate are included in yield/rate column.
(2) Changes in the yields earned on loans held for investment, gross included a decline during 2025 of $1.9 million in accretion of discount on loans, compared with 2024, and a decrease of $3.6 million during 2024, compared with 2023. Accretion of discount on loans is expected to decrease in future periods as loans acquired in the Bank Transaction are repaid, refinanced or renewed.
(3) Subsidiary warehouse lines of credit extended to PrimeLending are eliminated from the consolidated financial statements.
(4) Annualized taxable equivalent.

With regard to net interest income, as of December 31, 2025, the banking segment maintained an asset sensitive rate risk position, meaning the amount of its interest-earning assets maturing or repricing within a given period exceeds the amount of its interest-bearing liabilities also maturing or repricing within that time period. During a period of declining interest rates, being asset sensitive tends to result in a decrease in net interest income, but during a period of rising interest rates, being asset sensitive tends to result in an increase in net interest income. Given projected impacts on net interest income associated with the expected transition into the next phase of the interest rate cycle, we continue to evaluate our current GAP position, which may result in a repositioning of the banking segment towards a more neutral or liability sensitive balance sheet.

The increases in net interest income during 2025, compared to 2024, as noted in the table above, were primarily driven by decreased funding costs on our deposit products from rate decreases, partially offset by decreased earnings on interest-earning assets, primarily loan and warehouse line of credit yields and investment securities. The decreases in net interest income during 2024, compared to 2023, were primarily driven by the increased funding costs on our deposit products from rate increases in 2023, the migration from non-interest-bearing deposits into interest-bearing products during the year-over-year period, and decreases in average loans held for investment, investment securities and deposits held in other financial institutions, partially offset by increased earnings on interest-earning assets, primarily loan yields.

The average rate paid on interest-bearing liabilities decreased 70 basis points from 3.77% for 2024 to 3.07% for 2025, while the average yield on interest-earning assets decreased 32 basis points from 5.58% for 2024 to 5.26% for 2025.

Our portfolio includes loans that periodically reprice or mature prior to the end of an amortized term. The extent and timing of this impact on interest income will ultimately be driven by the timing, magnitude and frequency of interest rate and yield curve movements, as well as changes in market conditions and timing of management strategies. At December 31, 2025, approximately $561 million of our floating rate loans held for investment remained at or below their applicable rate floor, exclusive of our mortgage warehouse lending program, of which approximately 21% are not scheduled to reprice for more than one year based upon agreed-upon terms. If interest rates were to continue to fall, the impact on our interest income for certain variable-rate loans would be limited by these rate floors. If interest rates rise, yields on the portion of our loan portfolio that remain at applicable rate floors would rise more slowly than increases in market interest rates, unless such loans are refinanced or repaid. Competition for loan growth could also continue to put pressure on new loan origination rates.

Additionally, within our banking segment, the composition of the deposit base and ultimate cost of funds on deposits and net interest income are affected by the level of market interest rates, the interest rates and products offered by competitors, the volatility of equity markets and other factors. Deposit products and pricing structures relative to the market are regularly evaluated to maintain competitiveness over time. As discussed above, our cost of deposits decreased during 2025, compared to 2024. While we expect such costs during 2026 will continue to be influenced by various factors, including, but not limited to competitive pressures, broader economic conditions, future changes in the target range for the federal funds rate, customer behavior and our liquidity position at that time. The Bank's deposit base primarily includes a combination of commercial, wealth, and public funds deposits, without a high level of industry concentration. At December 31, 2025, total estimated uninsured deposits were $5.9 billion, or approximately 54% of total deposits, while estimated uninsured deposits, excluding collateralized deposits of $693.9 million and internal accounts of $302.8 million, were $4.9 billion, or approximately 45% of total deposits.

Refer to the discussion in the "Liquidity and Capital Resources – Banking Segment" section that follows for more detail regarding the Bank's activities regarding deposits, available liquidity and borrowing capacity.

To help mitigate net interest income spread volatility between our assets and liabilities, management maintains derivative trades, as either cash flow hedges or fair value hedges, that better align repricing characteristics. Despite having these hedges in place, changes in interest rates across the term structure may continue to impact net interest income and net interest margin. The impact of rate movements will change with the shape of the yield curve, including any changes in steepness or flatness and inversions at any points on the yield curve.

During 2025, 2024 and 2023, the banking segment retained approximately $185.4 million, $124.3 million and $140.3 million, respectively, in mortgage loans originated by the mortgage origination segment. These loans are purchased by the banking segment at par. For origination services provided, the banking segment reimburses the mortgage origination segment for direct origination costs associated with these mortgage loans, in addition to payment of a correspondent fee. The correspondent fees are eliminated in consolidation. The determination of mortgage loan retention levels by the banking segment will be impacted by, among other things, an ongoing review of the prevailing mortgage rates, balance sheet positioning at Hilltop and the banking segment's outlook for commercial loan growth.

The banking segment's provision for (reversal of) credit losses has been subject to significant year-over-year and quarterly changes primarily attributable to the effects of the changing economic outlook, macroeconomic forecast assumptions and resulting impact on reserves. Specifically, during 2025, the banking segment's provision for credit losses was primarily driven by a build in the allowance related to specific reserves and higher net charge-offs, partially offset by changes in the U.S. economic outlook and portfolio changes associated with collectively evaluated loans, including changes in loan mix and risk rating grade migration since December 31, 2024. The net impact to the allowance of changes associated with individually evaluated loans during 2025 included a provision for credit losses of $13.5 million, while collectively evaluated loans during 2025 included a reversal of credit losses of $6.2 million. The change in the allowance during 2025 was also impacted by net charge-offs of $16.9 million. Of the $16.9 million of net charge-offs at December 31, 2025, $11.5 million was comprised of three credit relationships associated with commercial and industrial loans within the auto note financing industry subsector. During 2024, the banking segment's provision for

credit losses reflected a build in the allowance related to specific reserves since December 31, 2023, significantly offset by both the change in the U.S. economic outlook and changes in the collectively evaluated loan portfolio. The net impact to the allowance of changes associated with individually evaluated loans during 2024 included a provision for credit losses of $15.2 million, while collectively evaluated loans during 2024 included a reversal of credit losses of $14.2 million. The change in the allowance during 2024 was also impacted by net charge-offs of $11.2 million. During 2023, the banking segment's provision for credit losses reflected a build in the allowance related to loan portfolio changes since December 31, 2022 and a deteriorating outlook for commercial real estate markets. The net impact to the allowance of changes associated with collectively evaluated loans during 2023 included a provision for credit losses of $12.7 million, while individually evaluated loans included a provision for credit losses of $5.8 million. The change in the allowance during 2023 was also impacted by net charge-offs of $2.4 million. The changes in the allowance for credit losses during the noted periods also reflected other factors including, but not limited to, loan growth, loan mix, and changes in risk grades and qualitative factors from the prior quarter. Refer to the discussion in the "Financial Condition – Allowance for Credit Losses on Loans" section that follows for more details regarding the significant assumptions and estimates involved in estimating credit losses.

The banking segment's noninterest income increased during 2025, compared with 2024, primarily due to the receipt of a legal restitution payment during the second quarter of 2025 that compensated the Bank for previously incurred losses, partially offset by a decrease in oil and gas management fees. Noninterest income during 2024, compared with 2023, decreased primarily due to valuation adjustments associated with the sale of a single loan from loans held for sale during the second quarter of 2024 and a decrease in oil and gas management fees, partially offset by an increase in service charges on depositor accounts.

The banking segment's noninterest expenses decreased during 2025, compared with 2024, primarily due to decreases in occupancy and equipment expenses and professional fees, partially offset by an increase in employees' compensation and benefits. The decrease in professional fees during 2025 was driven by the settlement and receipt of $6.5 million during the first quarter of 2025 that reimbursed the Bank for legal fees previously incurred. Noninterest expenses during 2024, compared with 2023, increased primarily due to a long-lived asset impairment charge of $4.8 million associated with one of the Bank's support facilities that management has the intent to sell. The facility was written down to the estimated fair value of the property less the estimated costs to sell. Additionally, during 2024, the Bank incurred one-time compensation expenses associated with Bank leadership changes, partially offset by decreases in professional fees.

Broker-Dealer Segment

The following table provides additional details regarding our broker-dealer segment operating results (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net interest income:					
Wealth management:					
Securities lending	$ 7,433	$ 5,171	$ 6,749	$ 2,262	$ (1,578)
Clearing services	9,412	10,490	8,064	(1,078)	2,426
Structured finance [1]	10,824	8,467	9,893	2,357	(1,426)
Fixed income services [1]	246	(2,473)	(304)	2,719	(2,169)
Other [1]	22,357	27,287	28,492	(4,930)	(1,205)
Total net interest income	50,272	48,942	52,894	1,330	(3,952)
Noninterest income:					
Principal transactions, commissions and fees by business line [2][3]:					
Fixed income services	49,375	46,765	57,548	2,610	(10,783)
Wealth management:					
Retail	94,523	86,638	90,153	7,885	(3,515)
Clearing services	36,111	35,948	40,083	163	(4,135)
Structured finance	87,150	102,567	75,480	(15,417)	27,087
Other	2,053	3,706	2,792	(1,653)	914
	269,212	275,624	266,056	(6,412)	9,568
Investment banking, advisory and administrative fees by business line [1][2]:					
Public finance services	126,754	97,937	89,398	28,817	8,539
Fixed income services	7,055	5,079	10,658	1,976	(5,579)
Wealth management:					
Retail	42,724	36,437	31,016	6,287	5,421
Clearing services	2,431	1,889	1,660	542	229
Structured finance	2,168	1,302	1,351	866	(49)
Other	334	346	244	(12)	102
	181,466	142,990	134,327	38,476	8,663
Other [1][2]:	76	4,187	3,155	(4,111)	1,032
Total noninterest income	450,754	422,801	403,538	27,953	19,263
Net revenue [4]	501,026	471,743	456,432	29,283	15,311
Noninterest expense:					
Variable compensation [5]	169,845	153,062	144,984	16,783	8,078
Non-variable compensation and benefits	142,070	133,638	121,411	8,432	12,227
Segment operating costs [6]	121,524	121,532	116,496	(8)	5,036
Total noninterest expense	433,439	408,232	382,891	25,207	25,341
Income before income taxes	$ 67,587	$ 63,511	$ 73,541	$ 4,076	$ (10,030)

(1) Noted balances during the prior period include certain reclassifications due to the restructuring of certain business lines to conform to current period presentation.
(2) During 2025, certain financial statement line items within the noninterest income section of the consolidated income statement were reclassified to better align disclosures to business activities. These reclassifications were applied retrospectively to all prior periods presented. Total noninterest income did not change as a result of these reclassifications.
(3) Principal transactions, commissions and fees includes income from FDIC sweep investments with the banking segment of $15.4 million, $24.9 million, and $47.1 million during 2025, 2024, and 2023, respectively, that is eliminated in consolidation.
(4) Net revenue is defined as the sum of total net interest income and total noninterest income. We consider net revenue to be a key performance measure in the evaluation of the broker-dealer segment's financial position and operating performance as we believe it is a primary revenue performance measure used by investors and analysts. Net revenue provides for some level of comparability of trends across the financial services industry as it reflects both noninterest income, including investment and securities advisory fees and commissions, as well as net interest income. Internally, we assess the broker-dealer segment's performance on a net revenue basis for comparability with our banking segment.
(5) Variable compensation represents performance-based commissions and incentives.
(6) Segment operating costs include provision for (reversal of) credit losses associated with the broker-dealer segment within other noninterest expenses.

The increases in net revenue and income before income taxes during 2025, compared with 2024, was primarily due to improved net revenues within our public finance services, fixed income services and wealth management business lines, partially offset by a decline in net revenues within our structured finance business line and increases in segment compensation costs. The increase in net revenues in the broker-dealer segment's public finance services business line was primarily due to improved fees earned from banking services. The increase in fixed income services business line's net revenues was primarily due to improved market conditions resulting in the increase in net revenues from fixed income sales and trading activities, in particular, from municipal products. The increase in the wealth management business line's net revenue was driven by an increase in advisory fees revenues generated from customer assets under management. The decrease in the structured finance business line's net revenues was primarily due to a decrease in trading gains from the to-be-announced ("TBA") business partially offset by commissions earned on commodities and

securitized mortgage-backed securities transactions. Income before income taxes for the year ended December 31, 2025 was impacted by the changes in net revenues as described above and a net increase in noninterest expense.

The increase in net revenue and the decline in income before income taxes during 2024, compared with 2023, was primarily due to improved period-over-period results within our structured finance and public finance services business lines, partially offset by declines within our fixed income services and wealth management business lines and increases in segment compensation costs. The increase in the structured finance business line's net revenues was primarily due to an increase in trading gains from the TBA business and commissions earned on commodities transactions. The increase in net revenues in the broker-dealer segment's public finance services business line was primarily due to fees earned from managed assets and municipal advisory revenues. The wealth management business line's net revenue decrease was driven by decreases in commissions earned from our FDIC sweep program on lower customer balances. These decreases were partially offset by improved advisory fees revenues generated from customer assets under management. The decrease in net revenues in the broker-dealer segment's fixed income services business line was primarily due to declines in revenues from net interest income earned on inventory positions and trading profits. Income before income taxes for the year ended December 31, 2024 was impacted by the changes in net revenues as described above and a net increase in noninterest expense.

The broker-dealer segment is subject to interest rate risk as a consequence of maintaining inventory positions, trading in interest rate sensitive financial instruments and maintaining a matched stock loan book. Changes in interest rates are likely to have a meaningful impact on our overall financial performance. Our broker-dealer segment has historically earned a significant portion of its revenues from advisory fees upon the successful completion of client transactions, which could be adversely impacted by interest rate volatility. Rapid or significant changes in interest rates could adversely affect the broker-dealer segment's bond trading, sales, underwriting activities and other interest spread-sensitive activities described below. The broker-dealer segment also receives administrative fees for providing money market and FDIC investment alternatives to clients, which tend to be sensitive to short-term interest rates. In addition, the profitability of the broker-dealer segment depends, to an extent, on the spread between revenues earned on customer loans and excess customer cash balances, and the interest expense paid on customer cash balances, as well as the interest revenue earned on trading securities, net of financing costs. The broker-dealer segment is also exposed to interest rate risk through its structured finance business line, which is dependent on mortgage loan production that tends to be adversely impacted by increasing interest rates, resulting in valuation-related adjustments.

In the broker-dealer segment, interest is earned from securities lending activities, interest charged on customer margin loan balances and interest earned on investment securities used to support sales, underwriting and other customer activities. During 2025, compared with 2024, along with the increase in our stock lending activities, the broker-dealer segment experienced an increase in net interest earned on inventory positions within the fixed income services and structured finance business lines, partially offset by the net interest earned on our correspondent inventory positions. The decrease in net interest income during 2024, compared with 2023, was primarily due to the decrease in the net interest income from the fixed income services business line due to decreases in net interest earned on inventory positions.

Noninterest income increased during 2025, compared with 2024, primarily due to increases in investment banking, advisory and administrative fees, partially offset by decreases in principal transactions, commissions and fees and other noninterest income. Noninterest income increased during 2024, compared with 2023, primarily due to increases in principal transactions, commissions and fees, investment banking, advisory and administrative fees and other noninterest income.

Principal transactions, commissions and fees decreased during 2025, compared with 2024, primarily due to decreases in trading gains earned from our structured finance business line, partially offset by increases in commodities and insurance product sales commissions and earnings from our fixed income services line of business. Principal transactions, commissions and fees increased during 2024, compared with 2023, primarily due to an increase in the broker-dealer segment's structured finance business line due to an increase in commissions earned on commodities transactions and increases in trading gains earned from structured finance trading activities. Buy-side demand improved resulting in increases in the structured finance business line for 2024, when compared to 2023. The increase in principal transactions, commissions and fees during 2024, compared with 2023, was partially offset by the decreases in the fixed income services and wealth management business lines. The decrease in the fixed income services business line was primarily due to

decreased trading gains driven by municipal and taxable securities trading despite the increase in trading volumes. The declines in principal transactions, commissions and fees in the broker-dealer segment's wealth management business line was due to decreases in FDIC sweep revenues and net clearing revenues, as well as a decline in commissions earned on insurance product sales.

Investment banking advisory and administrative fees increased during 2025, compared with 2024, primarily due to increases in fees earned from managed assets and municipal advisory transactions. Investment banking advisory and administrative fees increased during 2024, compared with 2023, primarily due to increases in fees earned from managed assets and municipal advisory transactions.

The increase in noninterest expenses during 2025, compared with 2024, was due to increases in segment compensation primarily from increased variable compensation, health insurance and severance costs. The increase in noninterest expenses during 2024, compared with 2023, was due to increases in segment compensation and other segment operating costs, primarily quotation expenses.

The following table provides selected information concerning the broker-dealer segment, including key performance indicators (dollars in thousands).

	Year Ended December 31,		
	2025	2024	2023
Total compensation as a % of net revenue [1]	62.3 %	60.8 %	58.4 %
Pre-tax margin [2]	13.5 %	13.5 %	16.1 %
FDIC insured program balances at the Bank (end of year)	$ 100,127	$ 572,188	$ 1,132,106
Other FDIC insured program balances (end of year)	$ 1,748,451	$ 1,350,298	$ 852,653
Customer funds on deposit, including short credits (end of year)	$ 196,166	$ 258,480	$ 223,414
Public finance services:			
Number of issues	1,000	901	804
Aggregate amount of offerings	$ 84,220,014	$ 63,343,100	$ 46,343,892
Structured finance:			
Lock production/TBA volume	$ 4,448,200	$ 4,628,337	$ 6,468,566
Fixed income services:			
Total volumes	$ 193,754,298	$ 384,976,739	$ 259,412,621
Net inventory (end of year)	$ 579,418	$ 457,946	$ 481,052
Wealth management (Retail and Clearing services groups):			
Retail employee representatives (end of year)	90	92	92
Independent registered representatives (end of year)	150	166	186
Correspondents (end of year)	93	99	105
Correspondent receivables (end of year)	$ 108,562	$ 150,013	$ 119,996
Customer margin balances (end of year)	$ 233,367	$ 212,070	$ 223,384
Wealth management (Securities lending group):			
Interest-earning assets - stock borrowed (end of year) [3]	$ 1,501,548	$ 1,292,576	$ 1,407,110
Interest-bearing liabilities - stock loaned (end of year)	$ 1,495,133	$ 1,291,725	$ 1,371,896

(1) Total compensation includes the sum of non-variable compensation and benefits and variable compensation. We consider total compensation as a percentage of net revenue to be a key performance measure and indicator of segment profitability.

(2) Pre-tax margin is defined as income before income taxes divided by net revenue. We consider pre-tax margin to be a key performance measure given its use as a profitability metric representing the percentage of net revenue earned that results in a profit.

(3) Noted balances during all prior periods include certain reclassifications to conform to current period presentation.

Mortgage Origination Segment

The following table presents certain information regarding the operating results of our mortgage origination segment (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net interest income (expense)	$ (7,934)	$ (16,867)	$ (20,305)	$ 8,933	$ 3,438
Noninterest income	310,876	313,229	316,840	(2,353)	(3,611)
Noninterest expense	320,463	330,088	359,285	(9,625)	(29,197)
Loss before income taxes	$ (17,521)	$ (33,726)	$ (62,750)	$ 16,205	$ 29,024

The mortgage lending business is subject to variables that can impact loan origination volume, including seasonal transaction volumes and interest rate fluctuations. Historically, the mortgage origination segment has experienced increased loan origination volume from purchases of homes during the spring and summer months, when more people tend to move and buy or sell homes. A decrease in mortgage interest rates tends to result in increased loan origination volume from refinancings, while an increase in mortgage interest rates tends to result in decreased loan origination volume from refinancings. While changes in mortgage interest rates have historically had a lesser impact on home purchases volume than on refinancing volume, net increases in mortgage interest rates since 2022 have negatively impacted home purchase volume through 2025. The effect of this trend was compounded by periods of broader economic uncertainty during that time. Mortgage interest rates fluctuated slightly during the first half of 2025, followed by a gradual and modest decline during the second half of 2025. During the fourth quarter of 2025, average mortgage interest rates decreased compared to average mortgage rates during the fourth quarter of 2024. See details regarding loan origination volume in the table below.

Current trends, as well as typical historical patterns in loan origination volume from purchases of homes or from refinancings because of movements in mortgage interest rates, may not be indicative of future loan origination volumes. Between 2023 and 2025, certain events initially triggered as early as 2022 have continued to challenge total mortgage market origination volumes because of their effect on the economy, including an increase in average interest rates during this period when compared to the average of the three years prior to 2023, the Federal Reserve's actions and communications, geopolitical events and ongoing economic uncertainty. During 2025, specific developments driving economic uncertainty include the United States government's position on increasing tariffs on foreign imports and reciprocal tariffs imposed by numerous United States foreign trading partners on United States exports and the government's passage of a comprehensive tax and spending bill. Between September 2024 and December 2024, the Federal Reserve cut the target range for the federal funds rate by 100 basis points to 4.25% - 4.5%. These were the first reductions since March 2022 when the target range was 0.25% - 0.50%. Between September 2025 and December 2025, the Federal Reserve cut the target range for the federal funds rate by another 75 basis points to 3.5% - 3.75%. Since the rate cuts occurred during the later part of 2025, they had modest impact on total 2025 loan origination volumes. Despite the reduction in the federal fund rates during 2024, average mortgage interest rates increased during the first six months of 2025, when compared to the fourth quarter of 2024. However, during the last six months of 2025 average mortgage interest rates decreased to levels not observed since the first half of 2023. We expect loan production during the first quarter of 2026 to decrease compared to the fourth quarter of 2025, consistent with historical trends. During the third quarter of 2025, PrimeLending reduced a portion of its underwriting, loan fulfillment, operations and corporate headcount to address current mortgage market production challenges. Anticipated annual savings associated with these reductions approximate $4.4 million.

PrimeLending continues to evaluate its cost structure to address the current mortgage environment and we believe that ongoing cost-saving initiatives are critical to improving PrimeLending's short- and long-term financial condition and operating results. Due to conditions and challenges discussed in detail within this section of segment results, the mortgage origination segment experienced operating losses during 2024 and 2025. While the mortgage origination segment reported income before income taxes during the second quarter of 2025, an operating loss would have been experienced if not for the receipt by PrimeLending of $9.5 million associated with the Settlements. In light of these current macroeconomic challenges in the mortgage industry including tight housing inventories and mortgage interest rate levels, the fair value of the mortgage origination reporting unit may decline, and we may be required to record a

goodwill impairment charge. These conditions will continue to be considered during future impairment evaluations of goodwill.

As a GNMA approved lender, we are subject to minimum capital, leverage, net worth and liquidity requirements established by HUD and GNMA, including timely reporting if a quarter's operating loss exceeds more than 20% of its previous quarter or year-end net worth (the "operating loss ratio") and/or if a quarter's capital ratio is below 6% (the "GNMA leverage ratio"). If this occurs, certain additional financial reporting submissions are required. During the first quarter of 2024, the HUD operating loss ratio was 22.6%, while during the second quarter of 2024, PrimeLending reported a HUD operating gain. During the third and fourth quarters of 2024 and the first, third and fourth quarters of 2025, the operating loss ratios were below the 20% threshold at 14.4%, 16.6%, 12.9%, 10.3% and 7.3%, respectively. PrimeLending reported a HUD operating gain during the second quarter of 2025. During the first and second quarters of 2024, the GNMA leverage ratio was 5.56% and 4.41%, respectively. Including two $10 million capital infusions received by PrimeLending from its parent company, PlainsCapital Bank, between September and December 2024 totaling $20 million, the GNMA leverage ratio increased to 6.38% and 6.36% during the third and fourth quarters of 2024, respectively. During 2025, PrimeLending received additional capital infusions from PlainsCapital Bank totaling $25 million and the GNMA leverage ratio remained above the required 6% at 7.12%, 6.30%, 7.35% and 6.73% during each consecutive quarter of 2025, respectively. Any of these trends requiring notification to GNMA and HUD have been reported to those entities, respectively. Such capital infusions are possible in future periods, including those in the near-term, based on a range of factors including PrimeLending's financial performance.

In addition, as a FNMA and FHLMC approved lender, we are subject to certain minimum capital, net worth and liquidity requirements established by FNMA and FHLMC, including maintaining a minimum capital ratio of 6% (the "FNMA/FHLMC capital ratio"). The FNMA/FHLMC capital ratio exceeded the required 6%, for each quarter during 2025 and 2024, except during the second quarter of 2024, the capital ratio decreased to 5.52%. FNMA and FHLMC may also monitor additional financial performance trends at their discretion, including risk-based analyses focused on loans that the mortgage origination segment is currently responsible for representations and warranties that agency loans sold meet certain requirements, including representations as to underwriting standards and the validity of certain borrower representations in connection with the loan. One FNMA discretionary performance trend monitors the change in adjusted net worth during the prior twelve months. FNMA's acceptable threshold for this performance trend is less than minus 30%, but is only considered if a company has four consecutive quarterly losses. During the first, second, third and fourth quarters of 2024, PrimeLending experienced four consecutive quarterly losses; the loss ratios during these periods were 37.5%, 28.9%, 23.9% and 13.7%, respectively. PrimeLending also recognized four consecutive quarterly losses during the first quarter of 2025, when the loss ratio was 10.5%. During the second quarter of 2025 PrimeLending reported an operating gain. PrimeLending reported a loss during both the third and fourth quarters of 2025. Any of these trends requiring notification to FNMA and FHLMC have been reported to those entities, respectively.

The loss before income taxes decreased in 2025, compared with 2024. This decrease was primarily the result of decreases in noninterest expense and net interest expense, partially offset by a decline in noninterest income. The loss before income taxes decreased in 2024, compared with 2023. This decrease was primarily the result of a decrease in noninterest expense.

Average interest rates during the latter part of 2025 experienced a gradual decline from the peak levels reached in 2022. Refinancing volume as a percentage of total origination volume was higher during 2025 at 14.1%, compared to 9.9%, during 2024. Although we anticipate the percentage of refinancing volume relative to total loan origination volume during 2026 will approximate 2025, an even higher refinance percentage could be driven by a slowing of purchase volume due to the negative impact on new and existing home sales resulting from existing home inventory shortages and affordability challenges related to new home construction, and/or an increase in all-cash buyers.

The mortgage origination segment primarily originates its mortgage loans through a retail channel, with additional lending through its affiliated business arrangements ("ABAs"). For 2025, funded volume through ABAs was approximately 14% of the mortgage origination segment's total loan volume. Currently, PrimeLending owns a greater than 50% interest in two ABAs. We expect total production within the ABA channel to continue to approximate 14% of loan volume of the mortgage origination segment during 2026.

The following table provides further details regarding our mortgage loan originations and sales for the periods indicated below (dollars in thousands). Loan volumes associated with mortgage loan transactions facilitated between PrimeLending and third-party mortgage lenders when requested products are not offered by PrimeLending are included in mortgage loan origination units and volume and are not included in mortgage loan sales volume below.

	Year Ended December 31,							
	2025		2024		2023		Variance	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	2025 vs 2024	2024 vs 2023
Mortgage Loan Originations - units	26,904		26,893		26,964		11	(71)
Mortgage Loan Originations - volume:								
Conventional	$ 5,048,439	56.71 %	$ 5,235,729	60.77 %	$ 5,147,101	62.44 %	$ (187,290)	$ 88,628
Government	1,991,497	22.37 %	1,849,513	21.47 %	1,904,237	23.10 %	141,984	(54,724)
Jumbo	548,165	6.16 %	435,716	5.06 %	297,509	3.61 %	112,449	138,207
Other	1,313,818	14.76 %	1,095,395	12.70 %	894,284	10.85 %	218,423	201,111
	$ 8,901,919	100.00 %	$ 8,616,353	100.00 %	$ 8,243,131	100.00 %	$ 285,566	$ 373,222
Home purchases	$ 7,643,212	85.86 %	$ 7,759,812	90.06 %	$ 7,701,758	93.43 %	$ (116,600)	$ 58,054
Refinancings	1,258,707	14.14 %	856,541	9.94 %	541,373	6.57 %	402,166	315,168
	$ 8,901,919	100.00 %	$ 8,616,353	100.00 %	$ 8,243,131	100.00 %	$ 285,566	$ 373,222
Texas	$ 2,688,314	30.20 %	$ 2,709,566	31.45 %	$ 2,379,425	28.87 %	$ (21,252)	$ 330,141
California	696,900	7.83 %	661,716	7.68 %	647,831	7.86 %	35,184	13,885
South Carolina	493,952	5.55 %	452,476	5.25 %	427,298	5.18 %	41,476	25,178
Missouri	381,693	4.29 %	373,148	4.33 %	304,723	3.70 %	8,545	68,425
New York	369,292	4.15 %	369,958	4.29 %	364,979	4.43 %	(666)	4,979
Florida	341,777	3.84 %	330,521	3.84 %	390,708	4.74 %	11,256	(60,187)
Ohio	284,304	3.19 %	252,363	2.93 %	251,480	3.05 %	31,941	883
Washington	274,719	3.09 %	244,825	2.84 %	192,691	2.34 %	29,894	52,134
Arizona	262,323	2.95 %	278,043	3.23 %	345,738	4.19 %	(15,720)	(67,695)
Massachusetts	186,423	2.09 %	125,462	1.46 %	116,943	1.42 %	60,961	8,519
All other states	2,922,222	32.82 %	2,818,275	32.70 %	2,821,315	34.22 %	103,947	(3,040)
	$ 8,901,919	100.00 %	$ 8,616,353	100.00 %	$ 8,243,131	100.00 %	$ 285,566	$ 373,222
Mortgage Loan Sales - volume:								
Third parties	$ 8,094,654	97.76 %	$ 8,099,425	98.49 %	$ 7,906,297	98.26 %	$ (4,771)	$ 193,128
Banking segment	185,405	2.24 %	124,309	1.51 %	140,288	1.74 %	61,096	(15,979)
	$ 8,280,059	100.00 %	$ 8,223,734	100.00 %	$ 8,046,585	100.00 %	$ 56,325	$ 177,149

We consider the mortgage origination segment's total loan origination volume to be a key performance measure. Loan origination volume is central to the segment's ability to generate income by originating and selling mortgage loans, resulting in net gains from the sale of loans, mortgage loan origination fees, and other mortgage production income. Total loan origination volume is a measure utilized by management, our investors, and analysts in assessing market share and growth of the mortgage origination segment.

The mortgage origination segment's total loan origination volume increased 3.3% during 2025, compared with 2024, while loss before income taxes decreased 48.0%, compared with 2024. The decrease in loss before income taxes during 2025 was primarily due to decreases in the loss on the change in the net fair value and related derivative activity associated with mortgage servicing rights assets, servicing fee expense and net interest expense. Additionally, contributing to the decrease was the receipt by PrimeLending of $9.5 million under the Settlements in April 2025. These positive changes were partially offset by unfavorable decreases in servicing fee income, and mortgage loan origination fees and servicing fees. During 2024, the mortgage origination segment's total loan origination volume increased 4.5% compared with 2023, while loss before income taxes decreased 46.3% during 2024, compared with 2023. The decrease in loss before income taxes during 2024 was primarily due to an increase in average loan sales margin, increases in average value of IRLCs and decreases in non-variable compensation and benefits expense and segment operating costs, partially offset by a decrease in the average value of mortgage loan origination fees and to a lesser extent, decreases in net servicing income and an increase in the loss on the change in the net fair value and related derivative activity related to mortgage servicing rights assets, compared with 2023.

The information shown in the table below includes certain additional key performance indicators for the mortgage origination segment.

	Year Ended December 31,		
	2025	2024	2023
Net gains from mortgage loan sales (basis points):			
Loans sold to third parties [1]	227	218	194
Broker fee income [2]	12	8	4
Impact of loans retained by banking segment	(6)	(4)	(4)
As reported	233	222	194
Variable compensation as a percentage of total compensation	53.9 %	52.6 %	47.4 %
Mortgage servicing rights asset ($000's) (end of year) [3]	$ 17,491	$ 5,723	$ 96,662

(1) Net gains from mortgage loans sold to third parties reflects provisions for anticipated indemnification claims and penalties for early payoff of loans which had the effect of lowering such net gains from mortgage loans sold to third parties by 10 basis points, 8 basis points and 4 basis points during 2025, 2024 and 2023, respectively.

(2) Broker fee income is earned by the mortgage origination segment for facilitating mortgage loan transactions between PrimeLending customers and third-party mortgage lenders when the requested loan products are not offered by PrimeLending.

(3) Reported on a consolidated basis and therefore does not include mortgage servicing rights assets related to loans serviced for the banking segment, which are eliminated in consolidation.

Net interest expense was comprised of interest income earned on loans held for sale offset by interest incurred on warehouse lines of credit primarily held with the Bank, and related intercompany financing costs. The decreases in net interest expense during 2025 and 2024, compared with 2024 and 2023, respectively, reflect decreases in the negative net interest margin between each year.

Noninterest income was comprised of the items set forth in the table below (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net gains from sale of loans	$ 193,261	$ 182,937	$ 156,190	$ 10,324	$ 26,747
Mortgage loan origination fees and other related income	102,645	123,066	144,539	(20,421)	(21,473)
Other mortgage production income:					
Change in net fair value and related derivative activity:					
IRLCs and loans held for sale	3,704	4,408	832	(704)	3,576
Mortgage servicing rights asset	(1,694)	(19,235)	(16,589)	17,541	(2,646)
Servicing fees	3,445	22,053	31,868	(18,608)	(9,815)
Other	9,515	—	—	9,515	—
Total noninterest income	$ 310,876	$ 313,229	$ 316,840	$ (2,353)	$ (3,611)

Net gains from sale of loans increased 5.6%, while total loans sales volume increased 0.7% during 2025, compared with 2024. The increase in net gains from sales of loans was primarily due to an increase in average loan sale margin as mortgage loan sale volume remained relatively flat. The 17.1% increase in net gains from sale of loans during 2024, compared with 2023, was primarily the result of an increase in average loan sale margin.

Mortgage loan origination fees and other related income decreased 16.6% during 2025, compared with 2024, primarily due to a decrease in average mortgage loan origination fees, as loan origination volume increased 3.3% during 2025, compared with 2024. The 14.9% decrease in mortgage loan origination fees and other related income during 2024, compared with 2023, was also primarily the result of a decrease in average mortgage loan origination fees as loan origination volume increased 4.5% between the two years.

In April 2025, PrimeLending entered into the Settlements related to a matter whereby PrimeLending received an aggregate of $9.5 million from the respective parties. The full amount associated with the Settlements was recorded within other noninterest income during the second quarter of 2025.

Fluctuations in mortgage loan origination fees and net gains on sale of loans are not always aligned with fluctuations in loan origination and loan sale volumes, respectively, since customers may opt to pay PrimeLending discount fees on their mortgage loans, which are included in mortgage loan origination fees, in exchange for a lower interest rate, which decreases the value of a loan in the secondary market.

We consider the mortgage origination segment's net gains from sale of loans margin, in basis points, to be a key performance measure. Net gains from mortgage loan sales margin is defined as net gains from sale of loans divided by mortgage loan sales volume. The net gains from sale of loans is central to the segment's generation of income and may include loans sold to third parties and loans sold to and retained by the banking segment. For origination services provided, the mortgage origination segment was reimbursed direct origination costs associated with loans retained by the banking segment, in addition to payment of a correspondent fee. The reimbursed origination costs and correspondent fee are included in the mortgage origination segment operating results, and the correspondent fees are eliminated in consolidation. Loan volumes to be originated on behalf of and retained by the banking segment are evaluated each quarter. Loans sold to and retained by the banking segment during 2025, 2024 and 2023 were $185.4 million, $124.3 million and $140.3 million, respectively. Loan volumes to be originated on behalf of and retained by the banking segment are expected to be impacted by, among other things, an ongoing review of the prevailing mortgage rates, balance sheet positioning at Hilltop and the banking segment's outlook for commercial loan growth.

Noninterest income includes changes in the net fair value of the mortgage origination segment's IRLCs and loans held for sale and the related activity associated with forward commitments used by the mortgage origination segment to mitigate interest rate risk associated with its IRLCs and mortgage loans held for sale ("net fair value of IRLCs and loans held for sale"). The gain recognized during 2025 was primarily due to an increase in the average net value of individual IRLCs and loans held for sale and the related forward commitments between December 31, 2025 and 2024.

The mortgage origination segment sells substantially all mortgage loans it originates to various investors in the secondary market. In addition, the mortgage origination segment originates loans on behalf of the Bank. The mortgage origination segment's determination of whether to retain or release servicing on mortgage loans it sells is impacted by, among other things, changes in mortgage interest rates, refinancing and market activity, and balance sheet positioning at Hilltop. During 2025, 2024 and 2023, the mortgage origination segment retained servicing on approximately 10%, 7% and 18%, respectively, of loans sold. A reduction in third-party mortgage servicers purchasing mortgage servicing rights, even if modest, may result in PrimeLending increasing the rate of retained servicing on mortgage loans sold at any time. The mortgage origination segment may, from time to time, manage its MSR asset through different strategies, including varying the percentage of mortgage loans sold servicing released and opportunistically selling MSR assets. The mortgage origination segment has also retained servicing on certain loans sold to and retained by the banking segment. Gains and losses associated with such sales to the banking segment and the related MSR asset are eliminated in consolidation.

The mortgage origination segment uses derivative financial instruments, including U.S. Treasury bond futures and options and MBS commitments, to mitigate interest rate risk associated with its MSR asset. During 2025, changes in the net fair value of the MSR asset and the related derivatives resulted in net losses of $1.7 million. These changes were primarily driven by losses totaling $1.0 million and $0.9 million during 2025 to account for portfolio runoff and customer payoffs, respectively. During 2024, changes in the net fair value of the MSR asset and the related derivatives resulted in net losses of $19.2 million. In addition to normal customer payments and customer payoffs, these changes were primarily driven by losses totaling $12.3 million during 2024, to account for MSR valuation assumption changes, including prepayment and discount rates used as inputs to value the MSR asset, and differences between MSR carrying values and sales prices related to the sale of MSR assets. Fluctuations in the net fair value of the MSR asset driven by net changes in long-term U.S. Treasury bond rates and the related derivatives used to hedge the MSR during 2024 resulted in net losses of $3.2 million. During the second quarter of 2024, the mortgage origination segment signed a letter of intent to sell and completed the sale of MSR assets of $45.1 million, which represented $2.9 billion of its serviced loan volume at the time. In addition, during September 2024, the mortgage origination segment signed a letter of intent to sell MSR assets of $42.6 million, which represented $2.3 billion of its serviced loan volume. This sale was completed during the fourth quarter of 2024. As a result, the mortgage origination segment does not currently expect the level of MSR assets to be significant in the short-term. In addition to gains and losses generated by changes in the net fair value of the MSR asset and related derivatives, net servicing income of $0.8 million and $8.6 million was recognized during 2025 and 2024, respectively. The mortgage origination segment does not currently expect the level of MSR assets to be significant in the short-term.

Noninterest expenses were comprised of the items set forth in the table below (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Variable compensation	$ 126,747	$ 121,720	$ 118,977	$ 5,027	$ 2,743
Non-variable compensation and benefits	108,498	109,573	132,142	(1,075)	(22,569)
Segment operating costs	70,546	76,043	84,864	(5,497)	(8,821)
Lender paid closing costs	11,997	9,332	4,971	2,665	4,361
Servicing expense	2,675	13,420	18,331	(10,745)	(4,911)
Total noninterest expense	$ 320,463	$ 330,088	$ 359,285	$ (9,625)	$ (29,197)

Total employees' compensation and benefits accounted for the majority of the noninterest expenses incurred during all periods presented. Historically, variable compensation comprises the majority of total employees' compensation and benefits expenses. Variable compensation, which is primarily driven by loan origination volume, tends to fluctuate to a greater degree than loan origination volume, because mortgage loan originator and fulfillment staff incentive compensation plans are structured to pay at increasing rates as higher monthly volume tiers are achieved. However, certain other incentive compensation plans driven by non-mortgage production criteria may alter this trend.

While total loan origination volumes increased 3.3% during 2025, compared with 2024, the aggregate non-variable compensation and benefits of the mortgage origination segment was relatively flat between the same periods. During the third quarter of 2025, PrimeLending reduced a portion of its underwriting, loan fulfillment, operations, and corporate headcount to address current mortgage market production challenges. One-time severance expenses related to this reduction approximated $0.6 million. Anticipated annual savings associated with these reductions approximate $4.4 million. The decrease in non-variable compensation and benefits during 2025, compared to 2024, was primarily due to a decrease in salaries associated with periodic reductions in underwriting and loan fulfillment, operations and corporate headcount as PrimeLending continued to evaluate its cost structure to address the current mortgage environment. The decrease in salaries was partially offset by an increase in health insurance expense. Segment operating costs decreased during 2025, compared with 2024, primarily due to decreases in professional fees and occupancy and software expense. During 2024, compared with 2023, the decrease in segment operating costs was primarily due to decreases in occupancy and software expense.

In exchange for a higher interest rate, customers may opt to have PrimeLending pay certain costs associated with the origination of their mortgage loan ("lender paid closing costs"). Fluctuations in lender paid closing costs are not always aligned with fluctuations in loan origination volume. Other loan pricing conditions, including the mortgage loan interest rate, loan origination fees paid by the customer, and a customer's willingness to pay closing costs, may influence fluctuations in lender paid closing costs.

Between January 1, 2016 and December 31, 2025, the mortgage origination segment sold mortgage loans totaling $141.3 billion. These loans were sold under sales contracts that generally include provisions that hold the mortgage origination segment responsible for errors or omissions relating to its representations and warranties that loans sold meet certain requirements, including representations as to underwriting standards and the validity of certain borrower representations in connection with the loan. In addition, the sales contracts typically require the refund of purchased servicing rights plus certain investor servicing costs if a loan experiences an early payment default. While the mortgage origination segment sold loans prior to 2016, it does not anticipate experiencing significant losses in the future on loans originated prior to 2016 as a result of investor claims under these provisions of its sales contracts.

When a claim for indemnification of a loan sold is made by an agency, investor, or other party, the mortgage origination segment evaluates the claim and determines if the claim can be satisfied through additional documentation or other deliverables. If the claim is valid and cannot be satisfied in that manner, the mortgage origination segment negotiates with the claimant to reach a settlement of the claim. Settlements typically result in either the repurchase of a loan or reimbursement to the claimant for losses incurred on the loan.

The following is a summary of the mortgage origination segment's claims resolution activity relating to loans sold between January 1, 2016 and December 31, 2025 (dollars in thousands).

	Original Loan Balance		Loss Recognized	
	Amount	% of Loans Sold	Amount	% of Loans Sold
Claims resolved with no payment	$ 267,116	0.19 %	$ —	— %
Claims resolved because of a loan repurchase or payment to an investor for losses incurred [1]	245,479	0.17 %	28,111	0.02 %
	$ 512,595	0.36 %	$ 28,111	0.02 %

(1) Losses incurred include refunded purchased servicing rights.

For each loan, when the mortgage origination segment concludes its obligation to a claimant is both probable and reasonably estimable, the mortgage origination segment has established a specific claims indemnification liability reserve.

An additional indemnification liability reserve has been established for probable agency, investor or other party losses that may have been incurred, but not yet reported to the mortgage origination segment based upon a reasonable estimate of such losses. Factors considered in the calculation of this reserve include, but are not limited to, the total volume of loans sold exclusive of specific claimant requests, actual claim inquiries, claim settlements and the severity of estimated losses resulting from future claims, and the mortgage origination segment's history of successfully curing defects identified in claim requests.

Although management considers the total indemnification liability reserve to be appropriate, there may be changes in the reserve over time to address incurred losses due to unanticipated adverse changes in the economy and historical loss patterns, discrete events adversely affecting specific borrowers or industries, and/or actions taken by institutions or investors. The impact of such matters is considered in the reserving process when probable and estimable. During 2025, there was no adjustment made to the indemnification liability reserve. PrimeLending will continue to monitor agency claim inquiry trends and assess its potential impact on the indemnification liability reserve.

At December 31, 2025 and 2024, the mortgage origination segment's total indemnification liability reserve totaled $6.9 million and $8.1 million, respectively. The related provision for indemnification losses was $3.3 million, $2.8 million and $1.6 million during 2025, 2024 and 2023, respectively.

Corporate

The following table presents certain financial information regarding the operating results of corporate (in thousands).

	Year Ended December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net interest income (expense)	$ (283)	$ (12,838)	$ (12,961)	$ 12,555	$ 123
Noninterest income	51,137	18,515	12,887	32,622	5,628
Noninterest expense	73,089	63,110	60,631	9,979	2,479
Loss before income taxes	$ (22,235)	$ (57,433)	$ (60,705)	$ 35,198	$ 3,272

Corporate includes certain activities not allocated to specific business segments. These activities include holding company financing and investing activities, merchant banking investment opportunities and management and administrative services to support the overall operations of the Company. Hilltop's merchant banking investment activities include the identification of attractive opportunities for capital deployment in companies engaged in non-financial activities through its merchant bank subsidiary, Hilltop Opportunity Partners LLC. These merchant banking activities currently include investments within various industries, including power generation, youth sports and entertainment, dental health and industrial equipment manufacturing, industrial and mechanical construction, and aerospace and defense manufacturing, with an aggregate carrying value of approximately $89 million at December 31, 2025.

As a holding company, Hilltop's primary investment objectives are to support capital deployment for organic growth and to preserve capital to be deployed through acquisitions, dividend payments and potential stock repurchases. Investment

and interest income earned during 2025 was primarily comprised of dividend income from merchant banking investment activities, in addition to interest income earned on intercompany notes.

Interest expense during 2025, 2024 and 2023 included recurring annual interest expense of $9.4 million incurred on our $150 million aggregate principal amount of subordinated notes due 2035 (the "2035 Subordinated Notes," the 2030 Subordinated Notes and the 2035 Subordinated Notes, collectively, the "Subordinated Notes"). Interest expense during 2024 and 2023 also included interest expense of $7.7 million on our outstanding Senior Notes that were redeemed on January 15, 2025 and $1.5 million, $3.0 million and $3.0 million during 2025, 2024 and 2023, respectively, on our 2030 Subordinated Notes that were redeemed on May 15, 2025, respectively. Interest expense during 2025, 2024 and 2023 was $11.5 million, $20.0 million and $20.0 million, respectively.

Noninterest income during each period included activity related to our investment in a real estate development in Dallas' University Park, which also serves as headquarters for both Hilltop and the Bank, and net noninterest income associated with activity within our merchant bank subsidiary. During 2025, the sale of certain merchant bank equity investments resulted in aggregate pre-tax gains of $30.5 million, which was primarily comprised of a pre-tax gain of $27.8 million ($21.6 million net of tax) related to the sale of operations associated with our aggregate interest in Moser Holdings, LLC. These gain amounts are inclusive of variable compensation expenses reflected within noninterest expense. During 2024, noninterest income included pre-tax gains of $5.3 million associated with the sale of merchant bank equity investments.

Noninterest expenses were primarily comprised of employees' compensation and benefits, occupancy expenses and professional fees, including corporate governance, legal and transaction costs. During 2025, compared with 2024, the increase in noninterest expenses was primarily driven by variable compensation associated with the sale of certain merchant bank equity investments during 2025 and other changes associated with employees' compensation and benefits. During 2024, compared with 2023, the increase in noninterest expenses was primarily due to increases associated with software costs and employees' compensation and benefits, partially offset by a decrease in professional services expenses.

Financial Condition

The following discussion contains a more detailed analysis of our financial condition at December 31, 2025 as compared with December 31, 2024 and December 31, 2023.

Securities Portfolio

At December 31, 2025, investment securities consisted of securities of the U.S. Treasury, U.S. government and its agencies, obligations of municipalities and other political subdivisions, primarily in the State of Texas, as well as mortgage-backed, corporate debt, and equity securities. We may categorize investments as trading, available for sale, held to maturity and equity securities.

Trading securities are bought and held principally for the purpose of selling them in the near term and are carried at fair value, marked to market through operations and held at the Bank and the Hilltop Broker-Dealers. Securities classified as available for sale may, from time to time, be bought and sold in response to changes in market interest rates, changes in securities' prepayment risk, increases in loan demand, general liquidity needs and to take advantage of market conditions that create more economically attractive returns. Such securities are carried at estimated fair value, with unrealized gains and losses recorded in accumulated other comprehensive income (loss). Equity investments are carried at fair value, with all changes in fair value recognized in net income. Securities are classified as held to maturity based on the intent and ability of our management, at the time of purchase, to hold such securities to maturity. These securities are carried at amortized cost.

The table below summarizes our securities portfolio (in thousands).

	December 31,		
	2025	2024	2023
Trading securities, at fair value			
U.S. Treasury securities	$ 123	$ 2,553	$ 3,736
U.S. government agencies:			
Bonds	37,222	9,984	12,867
Residential mortgage-backed securities	152,343	35,440	124,768
Collateralized mortgage obligations	58,611	125,515	86,281
Other	—	19,877	13,079
Corporate debt securities	41,136	60,594	37,569
States and political subdivisions	295,615	244,076	180,890
Private-label securitized product	9,547	16,208	47,768
Other	22,811	10,669	9,033
	617,408	524,916	515,991
Securities available for sale, at fair value			
U.S. Treasury securities	4,943	4,762	4,617
U.S. government agencies:			
Bonds	81,207	111,868	166,166
Residential mortgage-backed securities	391,060	341,186	349,870
Commercial mortgage-backed securities	240,336	220,327	191,746
Collateralized mortgage obligations	680,525	657,600	736,481
Corporate debt securities	61,992	29,816	24,418
States and political subdivisions	30,985	30,990	34,297
	1,491,048	1,396,549	1,507,595
Securities held to maturity, at amortized cost			
U.S. government agencies:			
Residential mortgage-backed securities	265,349	255,880	278,172
Commercial mortgage-backed securities	122,636	147,696	172,879
Collateralized mortgage obligations	262,203	257,230	284,208
States and political subdivisions	78,141	77,093	77,418
	728,329	737,899	812,677
Equity securities, at fair value	265	297	321
Total securities portfolio	$ 2,837,050	$ 2,659,661	$ 2,836,584

We had net unrealized losses of $63.0 million, $101.9 million and $114.2 million at December 31, 2025, 2024 and 2023, respectively, related to the available for sale investment portfolio. Within the held to maturity portfolio, we had net unrealized losses of $53.4 million, $88.0 million and $80.8 million at December 31, 2025, 2024 and 2023. Equity securities included net unrealized gains of $0.2 million, $0.2 million and $0.3 million at December 31, 2025, 2024 and 2023, respectively. In future periods, we expect changes in prevailing market interest rates, coupled with changes in the aggregate size of the investment portfolio, to be significant drivers of changes in the unrealized losses or gains in these portfolios, and therefore accumulated other comprehensive income (loss).

Banking Segment

The banking segment's securities portfolio plays a role in the management of our interest rate sensitivity and generates additional interest income. In addition, the securities portfolio is used to meet collateral requirements for public and trust deposits, securities sold under agreements to repurchase and other purposes. The available for sale and equity securities portfolios serve as a source of liquidity. Historically, the Bank's policy has been to invest primarily in securities of the U.S. government and its agencies, obligations of municipalities in the State of Texas and other high grade fixed income securities to minimize credit risk. At December 31, 2025, the banking segment's securities portfolio of $2.2 billion was comprised of trading securities of $34 thousand, available for sale securities of $1.4 billion, held to maturity securities of $728.3 million and equity securities of $0.3 million, in addition to $10.9 million of other investments included in other assets within the consolidated balance sheets.

Broker-Dealer Segment

The broker-dealer segment holds securities to support sales, underwriting and other customer activities. The interest rate risk inherent in holding these securities is managed by setting and monitoring limits on the size and duration of positions and on the length of time the securities can be held. The Hilltop Broker-Dealers are required to carry their securities at fair value and record changes in the fair value of the portfolio to the statements of operations. Accordingly, the securities portfolio of the Hilltop Broker-Dealers included trading securities of $617.4 million at December 31, 2025. In addition, the Hilltop Broker-Dealers enter into transactions that represent commitments to purchase and deliver securities at prevailing future market prices to facilitate customer transactions and satisfy such commitments. Accordingly, the Hilltop Broker-Dealers' ultimate obligation may exceed the amount recognized in the financial statements. These securities, which are carried at fair value and reported as securities sold, not yet purchased in the consolidated balance sheets, had a value of $38.0 million at December 31, 2025.

Corporate

At December 31, 2025, the corporate portfolio included other investments, including those associated with merchant banking, of available for sale securities of $62.0 million and other assets of $26.7 million within the consolidated balance sheet.

Allowance for Credit Losses for Available for Sale Securities and Held to Maturity Securities

We have evaluated available for sale debt securities that are in an unrealized loss position and have determined that any declines in value are unrelated to credit loss and related to changes in market interest rates since purchase. None of the available for sale debt securities held were past due at December 31, 2025. In addition, as of December 31, 2025, we evaluated our held to maturity debt securities, considering the current credit ratings and recognized losses, and determined the potential credit loss to be minimal. With respect to these securities, we considered the risk of credit loss to be negligible, and therefore, no allowance was recognized on the debt securities portfolio at December 31, 2025.

The following table sets forth the estimated maturities of our debt securities, excluding trading securities, at December 31, 2025. Contractual maturities may be different (dollars in thousands, yields are tax-equivalent).

	One Year Or Less	One Year to Five Years	Five Years to Ten Years	Greater Than Ten Years	Total
U.S. Treasury securities:					
Amortized cost	$ 4,998	—	—	—	$ 4,998
Fair value	$ 4,943	—	—	—	$ 4,943
Weighted average yield [1]	0.87 %	—	—	—	0.87 %
U.S. government agencies:					
Bonds:					
Amortized cost	$ 14,997	$ 20,639	$ 23,276	$ 22,506	$ 81,418
Fair value	$ 15,054	$ 20,639	$ 23,084	$ 22,430	$ 81,207
Weighted average yield [1]	4.70 %	4.18 %	3.71 %	4.50 %	4.23 %
Residential mortgage-backed securities:					
Amortized cost	$ 115	$ 4,980	$ 93,455	$ 578,370	$ 676,920
Fair value	$ 115	$ 4,905	$ 88,672	$ 544,924	$ 638,616
Weighted average yield [1]	2.87 %	2.65 %	2.13 %	3.09 %	2.96 %
Commercial mortgage-backed securities:					
Amortized cost	$ 16,659	$ 117,857	$ 228,779	$ 3,229	$ 366,524
Fair value	$ 16,525	$ 115,917	$ 221,893	$ 2,876	$ 357,211
Weighted average yield [1]	2.98 %	3.82 %	2.46 %	2.99 %	2.93 %
Collateralized mortgage obligations:					
Amortized cost	$ 71	$ 52,194	$ 118,967	$ 807,172	$ 978,404
Fair value	$ 71	$ 51,648	$ 117,291	$ 748,364	$ 917,374
Weighted average yield [1]	3.15 %	3.39 %	3.08 %	3.26 %	3.25 %
Corporate debt securities:					
Amortized cost	—	$ 62,683	—	—	$ 62,683
Fair value	—	$ 61,992	—	—	$ 61,992
Weighted average yield [1]	—	0.99 %	—	—	0.99 %
States and political subdivisions:					
Amortized cost	$ 1,366	$ 16,117	$ 72,382	$ 21,613	$ 111,478
Fair value	$ 1,366	$ 15,826	$ 68,283	$ 19,120	$ 104,595
Weighted average yield [1]	3.16 %	2.95 %	2.88 %	2.62 %	2.85 %
Total securities portfolio:					
Amortized cost	$ 38,206	$ 274,470	$ 536,859	$ 1,432,890	$ 2,282,425
Fair value	$ 38,074	$ 270,927	$ 519,223	$ 1,337,714	$ 2,165,938
Weighted average yield [1]	3.39 %	3.05 %	2.65 %	3.20 %	3.06 %

(1) Weighted average yield is defined as interest earned by average interest-earning assets.

Loan Portfolio

Consolidated loans held for investment are detailed in the table below, classified by portfolio segment (in thousands).

	December 31,		
Loan Held for Investment	**2025**	**2024**	**2023**
Commercial real estate:			
Non-owner occupied	$ 2,121,087	$ 1,921,691	$ 1,889,882
Owner occupied	1,533,173	1,435,945	1,422,234
Commercial and industrial	1,526,467	1,541,940	1,607,833
Construction and land development	894,011	866,245	1,031,095
1-4 family residential	1,861,654	1,792,602	1,757,178
Consumer	31,027	28,410	27,351
Broker-dealer	344,533	363,718	344,172
Loans held for investment, gross	8,311,952	7,950,551	8,079,745
Allowance for credit losses	(91,537)	(101,116)	(111,413)
Loans held for investment, net of allowance	$ 8,220,415	$ 7,849,435	$ 7,968,332

Banking Segment

The loan portfolio constitutes the primary earning asset of the banking segment and typically offers the best alternative for obtaining the maximum interest spread above the banking segment's cost of funds. The overall economic strength of the banking segment generally parallels the quality and yield of its loan portfolio.

As discussed in more detail within the section captioned "Financial Condition – Allowance for Credit Losses on Loans" below, the banking segment's credit policies emphasize strong underwriting and governance standards and early detection of potential problem credits in order to develop and implement action plans on a timely basis to mitigate potential losses. These formal credit policies and procedures provide the banking segment with a framework for consistent underwriting and a basis for sound credit decisions. The banking segment strives to avoid the risk of concentrations of credit in any particular industry, collateral type, location, or with any individual customer or counterparty.

To manage the credit risks associated with its loan portfolio, management may, depending upon current or anticipated economic conditions and related exposures, apply enhanced risk management measures to loans through analysis of a specific borrower's financial condition, including cash flow, collateral values, and guarantees, among other credit factors.

The banking segment's total loans held for investment, net of the allowance for credit losses, were $8.8 billion, $8.3 billion and $8.5 billion at December 31, 2025, 2024 and 2023, respectively. At December 31, 2025, the banking segment's loan portfolio included warehouse lines of credit extended to PrimeLending and its ABAs of $1.3 billion, of which $0.9 billion was drawn. At December 31, 2024 and 2023, amounts drawn on the available warehouse lines of credit were $1.3 billion and $0.9 billion, respectively. Amounts advanced against the warehouse lines of credit are eliminated from net loans held for investment on our consolidated balance sheets. The banking segment does not generally participate in syndicated loan transactions and has no foreign loans in its portfolio.

A significant portion of the banking segment's loan portfolio at December 31, 2025 consisted of commercial real estate loans secured by properties. Such loans can involve high principal loan amounts, and the repayment of these loans is dependent, in large part, on a borrower's ongoing business operations or on income generated from the properties that are leased to third parties.

The table below sets forth the banking segment's commercial real estate loan portfolio, by portfolio industry sector and collateral location as of December 31, 2025 (in thousands).

							Other		
Commercial Real Estate	**Dallas-Fort Worth**	**Austin**	**Houston**	**Brownsville-Harlingen-McAllen**	**San Antonio**	**Lubbock**	**Texas**	**Outside Texas**	**Total**
Non-owner occupied:									
Office	$ 169,119	$ 217,803	$ 20,159	$ 13,813	$ 29,733	$ 6,849	$ 64,730	$ 16,189	$ 538,395
Retail	151,102	87,767	29,317	29,597	18,213	6,660	34,822	7,916	365,394
Hotel/Motel	54,700	12,288	28,142	16,659	81	—	14,339	13,395	139,604
Multifamily	124,581	39,520	38,088	47,492	505	1,534	84,534	22,690	358,944
Industrial	207,345	66,561	6,815	4,506	3,766	3,004	15,376	4,973	312,346
All other	127,721	64,161	22,837	6,738	31,428	53,683	83,252	16,584	406,404
	$ 834,568	$ 488,100	$ 145,358	$ 118,805	$ 83,726	$ 71,730	$ 297,053	$ 81,747	$ 2,121,087
Owner occupied:									
Office	$ 152,272	$ 82,928	$ 25,923	$ 16,323	$ 28,526	$ 8,205	$ 20,316	$ 2,675	$ 337,168
Retail	18,140	14,616	2,409	898	1,408	1,110	5,670	900	45,151
Industrial	214,857	45,508	39,087	11,725	21,262	7,241	32,716	69,138	441,534
All other	332,715	110,236	64,104	16,334	47,780	24,852	91,762	21,537	709,320
	$ 717,984	$ 253,288	$ 131,523	$ 45,280	$ 98,976	$ 41,408	$ 150,464	$ 94,250	$ 1,533,173
Total commercial real estate loans	$ 1,552,552	$ 741,388	$ 276,881	$ 164,085	$ 182,702	$ 113,138	$ 447,517	$ 175,997	$ 3,654,260

At December 31, 2025, the banking segment had loan concentrations (loans to borrowers engaged in similar activities) that exceeded 10% of total loans in its real estate portfolio. The areas of concentration within our real estate portfolio were non-construction commercial real estate loans, non-construction residential real estate loans, and construction and land development loans, which represented 45.9%, 23.4% and 11.2%, respectively, of the banking segment's total loans

held for investment at December 31, 2025. The banking segment's loan concentrations were within regulatory guidelines at December 31, 2025.

In addition, the Bank's loan portfolio includes collateralized loans extended to businesses that depend on the energy industry, including those within the exploration and production, field services, pipeline construction and transportation sectors. Crude oil prices remain uncertain given future supply and demand for oil are influenced by international armed conflicts and geopolitical tension, new energy policies and government regulation, and the pace of transition towards renewable energy resources. At December 31, 2025, the Bank's energy loan exposure was approximately $111 million of loans held for investment with unfunded commitment balances of approximately $32 million. The allowance for credit losses on the Bank's energy portfolio was $1.4 million, or 1.2% of loans held for investment at December 31, 2025.

The following table provides information regarding the maturities of the banking segment's gross loans held for investment, net of unearned income (in thousands). The commercial and industrial portfolio segment includes amounts advanced against the warehouse lines of credit extended to PrimeLending.

	December 31, 2025				
	Due Within One Year	Due From One To Five Years	Due from Five To Fifteen Years	Due After Fifteen Years	Total
Commercial real estate:					
Non-owner occupied	$ 1,077,444	$ 805,764	$ 237,879	$ —	$ 2,121,087
Owner occupied	459,560	664,672	400,825	8,116	1,533,173
Commercial and industrial	2,059,267	293,185	80,026	—	2,432,478
Construction and land development	759,043	117,514	16,694	760	894,011
1-4 family residential	248,454	762,185	181,170	669,845	1,861,654
Consumer	20,892	10,063	67	5	31,027
Total	$ 4,624,660	$ 2,653,383	$ 916,661	$ 678,726	$ 8,873,430

The following table provides information regarding the interest rate composition, based on contractual terms, of the banking segment's loans held for investment, net of unearned income (in thousands).

	Loans maturing after one year		
December 31, 2025	Fixed Interest Rate	Floating Interest Rate	Total
Commercial real estate:			
Non-owner occupied	$ 911,784	$ 131,859	$ 1,043,643
Owner occupied	867,239	206,374	1,073,613
Commercial and industrial	322,888	50,323	373,211
Construction and land development	117,729	17,239	134,968
1-4 family residential	910,205	702,995	1,613,200
Consumer	10,135	—	10,135
Total	$ 3,139,980	$ 1,108,790	$ 4,248,770

In the table above, floating interest rate loans totaling $119.6 million as of December 31, 2025 had reached their applicable rate floor and were expected to reprice, subject to their scheduled repricing timing and frequency terms. The majority of floating rate loans carry an interest rate tied to a SOFR rate or The Wall Street Journal Prime Rate, as published in The Wall Street Journal.

Broker-Dealer Segment

The loan portfolio of the broker-dealer segment consists primarily of margin loans to customers and correspondents that are due within one year. The interest rate on margin accounts is computed on the settled margin balance at a fixed rate established by management. These loans are collateralized by the securities purchased or by other securities owned by the clients and, because of collateral coverage ratios, are believed to present minimal collectability exposure. Additionally, these loans are subject to a number of regulatory requirements as well as the Hilltop Broker-Dealers'

internal policies. The broker-dealer segment's total loans held for investment, net of the allowance for credit losses, were $344.5 million, $363.7 million and $344.1 million at December 31, 2025, 2024 and 2023, respectively. The decrease from December 31, 2024 to December 31, 2025, was primarily attributable to a decrease of $41.5 million, or 28%, in receivables from correspondents, partially offset by an increase of $21.3 million, or 10%, in customer margin accounts. The increase from December 31, 2023 to December 31, 2024, was primarily attributable to an increase of $30.0 million, or 25%, in receivables from correspondents, partially offset by a decrease of $11.3 million, or 5%, in customer margin accounts.

Mortgage Origination Segment

The loan portfolio of the mortgage origination segment consists of loans held for sale, primarily single-family residential mortgages funded through PrimeLending, and IRLCs with customers pursuant to which we agree to originate a mortgage loan on a future date at an agreed-upon interest rate. The components of the mortgage origination segment's loans held for sale and IRLCs are as follows (in thousands).

	December 31,		
	2025	2024	2023
Loans held for sale:			
Unpaid principal balance	$ 870,130	$ 802,987	$ 802,348
Fair value adjustment	16,025	6,795	19,846
	$ 886,155	$ 809,782	$ 822,194
IRLCs:			
Unpaid principal balance	$ 456,734	$ 384,528	$ 383,767
Fair value adjustment	5,997	2,942	7,734
	$ 462,731	$ 387,470	$ 391,501

The mortgage origination segment uses forward commitments to mitigate interest rate risk associated with its loans held for sale and IRLCs. The notional amounts of these forward commitments at December 31, 2025, 2024 and 2023 were $1.0 billion, $0.9 billion and $1.0 billion, respectively, while the related estimated fair values were ($1.9) million, $6.4 million and ($10.2) million, respectively.

Allowance for Credit Losses on Loans

For additional information regarding the allowance for credit losses, refer to the section captioned "Critical Accounting Estimates" included in this Form 10-K.

Loans Held for Investment

The Bank has lending policies in place with the goal of establishing an asset portfolio that will provide a return on stockholders' equity sufficient to maintain capital to assets ratios that meet or exceed established regulations. Loans are underwritten with careful consideration of the borrower's financial condition, the specific purpose of the loan, the primary sources of repayment and any collateral pledged to secure the loan.

Underwriting procedures address financial components based on the size and complexity of the credit. The financial components include, but are not limited to, current and projected cash flows, shock analysis and/or stress testing, and trends in appropriate balance sheet and statement of operations ratios. The Bank's loan policy provides specific underwriting guidelines by portfolio segment, including commercial and industrial, real estate, construction and land development, and consumer loans. The guidelines for each individual portfolio segment set forth permissible and impermissible loan types. With respect to each loan type, the guidelines within the Bank's loan policy provide minimum requirements for the underwriting factors listed above. The Bank's underwriting procedures also include an analysis of any collateral and guarantor. Collateral analysis includes a complete description of the collateral, as well as determined values, monitoring requirements, loan to value ratios, concentration risk, appraisal requirements and other information relevant to the collateral being pledged. Guarantor analysis includes liquidity and cash flow evaluation based on the significance with which the guarantors are expected to serve as secondary repayment sources.

The Bank maintains a loan review department that reviews credit risk in response to both external and internal factors that potentially impact the performance of either individual loans or the overall loan portfolio. The loan review process reviews the creditworthiness of borrowers and determines compliance with the loan policy. The loan review process complements and reinforces the risk identification and assessment decisions made by lenders and credit personnel. Results of these reviews are presented to management, the Bank's board of directors and the Risk Committee of the board of directors of the Company.

The allowance for credit losses for loans held for investment represents management's best estimate of all expected credit losses over the expected contractual life of our existing portfolio. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. Subsequent evaluations of the then-existing loan portfolio, in light of the factors then prevailing, may result in significant changes in the allowance for credit losses in those future periods. Such future changes in the allowance for credit losses are expected to be volatile given dependence upon, among other things, the portfolio composition and quality, as well as the impact of significant drivers, including prepayment assumptions and macroeconomic conditions and forecasts.

Significant judgment is required to estimate the severity and duration of the current economic uncertainties, as well as its potential impact on borrower default and loss severity. In particular, macroeconomic conditions and forecasts are rapidly changing and remain highly uncertain.

One of the most significant judgments involved in estimating our allowance for credit losses relates to the macroeconomic forecasts used to estimate credit losses over the reasonable and supportable forecast period. To determine the allowance for credit losses as of December 31, 2025, we utilized a single macroeconomic scenario, the baseline forecast, published by Moody's Analytics in December 2025. The macroeconomic scenario utilizes multiple economic variables in forecasting the economic outlook. During our previous quarterly macroeconomic assessment as of September 30, 2025, we utilized the same single macroeconomic scenario, the baseline forecast, published by Moody's Analytics in September 2025. Management determined it was appropriate to utilize the baseline macroeconomic scenario as of December 31, 2025 as this baseline scenario best aligns with our internal outlook, given the combination of the ongoing resilience of the U.S. economy, the weakening of the job market and the potential impact of tariffs.

The following table and paragraphs summarize the U.S. Real Gross Domestic Product ("GDP") growth rates and unemployment rate assumptions used in our economic forecast, and based on the single macroeconomic scenario selected for respective periods, to determine our best estimate of expected credit losses.

		As of				
		December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
GDP growth rates:						
	Q4 2024					2.6%
	Q1 2025				1.2%	1.2%
	Q2 2025			1.9%	1.1%	1.0%
	Q3 2025		1.8%	0.6%	1.1%	0.3%
	Q4 2025	0.3%	0.8%	1.4%	0.8%	0.6%
	Q1 2026	2.5%	1.4%	1.5%	0.8%	0.9%
	Q2 2026	2.2%	1.6%	1.4%	1.4%	0.9%
	Q3 2026	2.0%	1.6%	1.5%	1.9%	
	Q4 2026	1.9%	1.6%	1.7%		
	Q1 2027	1.7%	1.7%			
	Q2 2027	1.8%				
Unemployment rates:						
	Q4 2024					4.2%
	Q1 2025				4.1%	4.4%
	Q2 2025			4.2%	4.2%	4.6%
	Q3 2025		4.4%	4.3%	4.6%	4.9%
	Q4 2025	4.3%	4.4%	4.3%	5.0%	5.1%
	Q1 2026	4.5%	4.4%	4.5%	5.3%	5.2%
	Q2 2026	4.6%	4.6%	4.7%	5.5%	5.1%
	Q3 2026	4.8%	4.7%	4.8%	5.4%	
	Q4 2026	4.8%	4.8%	4.8%		
	Q1 2027	4.7%	4.7%			
	Q2 2027	4.7%				

As of December 31, 2025, our U.S. economic forecast assumes real GDP will remain below trend in the near term as economic policy uncertainty weighs on the economy's growth. The changes in real GDP on an annual average basis are 2.1% in 2026 and 1.9% in 2027. The unemployment rate increases in 2026 and reaches a peak of 4.8% in the fourth quarter of 2026 before slowly receding. Our forecast considers the potential for monetary policy to ease from the Federal Reserve with the federal funds rate at 2.9% by year end 2026. Vacancy rates for certain commercial real estate sectors remain elevated, and the interest rate outlook challenges the recovery.

During 2025, we updated our U.S. economic outlook to reflect our expectations of a period of below trend economic growth in the near term. Economic policy uncertainty weighs on the economy's growth. The labor market has softened and the unemployment rate has gradually increased. In response to the weakening labor market, the Federal Reserve reduced the federal funds rate target to 3.75% - 3.50%.

During 2024, we updated our U.S. economic outlook to reflect our expectations of a period of below trend economic growth beginning in 2025. The U.S. economic outlook was updated for recent changes in monetary policy and given that the ongoing resilience of the U.S. economy. Given the moderation of inflation, the Federal Reserve reduced the federal funds rate target by 100-basis points since September 2024 to 4.25% - 4.5%. Labor market conditions eased as the unemployment rate increased to 4.2% in November 2024. Trade policy changes expected to be implemented by the then new administration added uncertainty to the outlook.

During 2023, our economic outlook was updated to reflect our expectations of a period of below trend economic growth beginning in 2023 and a mild U.S. recession in 2024. The Federal Reserve increased its federal funds rate target from 4.00% - 4.25% in January 2023 to 5.25% - 5.50% in August 2023 and held rates steady through December 2023. In March and April 2023, as a result of three of the largest bank failures in U.S. history, the Federal Reserve implemented several liquidity programs to stabilize consumer and business confidence. The Federal Reserve continued to balance

inflation expectations and labor market constraints with tighter financial conditions throughout 2023. The duration of the higher interest rates also renewed credit and refinance risk concerns about residential and commercial real estate loans. The consumer price index improved from 6.4% in January 2023 to 3.4% in December 2023, but inflation rates still remained above the Federal Reserve's 2% target. Global supply chains eased throughout 2023 and adjusted to the longer than expected Russia-Ukraine conflict; however, conflicts in the Middle East between Israel and Hamas and the U.S. and Yemen added new uncertainties. Labor market conditions eased modestly but remained historically tight as the unemployment rate increased from 3.4% to 3.7% during the year.

During 2025, the provision for credit losses was primarily driven by a build in the allowance related to specific reserves and higher net charge-offs, partially offset by changes in the U.S. economic outlook and portfolio changes associated with collectively evaluated loans, including changes in loan mix and risk rating grade migration since December 31, 2024. The net impact to the allowance of changes associated with individually evaluated loans during 2025 included a provision for credit losses of $13.5 million, while collectively evaluated loans included a reversal of credit losses of $6.2 million. The changes in the allowance for credit losses during the noted periods were primarily attributable to the Bank and also reflected other factors including, but not limited to, loan mix, and changes in loan balances and qualitative factors from the prior period. The change in the allowance during 2025 was also impacted by net charge-offs of $16.9 million. Of the $16.9 million of net charge-offs at December 31, 2025, $11.5 million was comprised of three credit relationships associated with commercial and industrial loans within the auto note financing industry subsector.

As noted above, the combined impacts of specific reserves and loan portfolio changes within the banking segment and changes in the U.S. economic outlook since December 31, 2024 have resulted in a net decrease in the allowance at December 31, 2025, compared to December 31, 2024. The resulting allowance for credit losses as a percentage of our total loan portfolio, excluding margin loans in the broker-dealer segment and banking segment mortgage warehouse lending programs, was 1.19%, 1.37% and 1.47% as of December 31, 2025, 2024 and 2023, respectively. While changes in the U.S. economic outlook have been reflected in our current allowance at December 31, 2025, uncertainties that include, among others, the uncertain timing, duration and significance of further changes in market interest rates and an uncertain macroeconomic forecast could adversely impact borrower cash flows and result in further increases in the allowance during future periods. While all industries could experience adverse impacts, certain of our loan portfolio industry sectors and subsectors, including real estate collateralized by office buildings, retail, hotel/motel and auto note financing, have an increased level of risk.

The respective distribution of the allowance for credit losses as a percentage of our total loan portfolio, excluding margin loans in the broker-dealer segment and banking segment mortgage warehouse lending programs, are presented in the following table (dollars in thousands).

December 31, 2025	Total Loans Held For Investment	Total Allowance for Credit Losses	Allowance For Credit Losses as a % of Total Loans Held For Investment
Commercial real estate:			
Non-owner occupied [1]	$ 2,121,087	$ 24,265	1.14 %
Owner occupied [2]	1,533,173	34,035	2.22 %
Commercial and industrial [3]	1,269,378	21,151	1.67 %
Construction and land development [4]	894,011	7,398	0.83 %
Total commercial loans	5,817,649	86,849	1.49 %
1-4 family residential	1,861,654	4,136	0.22 %
Consumer	31,027	397	1.28 %
Total retail loans	1,892,681	4,533	0.24 %
Total commercial and retail loans	7,710,330	91,382	1.19 %
Broker-dealer	344,533	26	0.01 %
Mortgage warehouse lending	257,089	129	0.05 %
Total loans held for investment	$ 8,311,952	$ 91,537	1.10 %

(1) Included within commercial real estate non-owner occupied portfolio are loans within the office, retail and hotel/motel portfolio industry subsectors. At December 31, 2025, the office, retail and hotel/motel loans held for investment balances of approximately $538 million, $365 million and $140 million, respectively, had an allowance for credit losses of approximately $10 million, $3 million and $2 million, respectively, and an allowance for credit losses as a % of total loans held for investment of 1.9%, 0.8% and 1.2%, respectively.

(2) Included within commercial real estate owner occupied portfolio are loans within the industrial and office portfolio industry subsectors. At December 31, 2025, the industrial and office loans held for investment balances of approximately $442 million and $337 million, respectively, had an allowance for credit losses of approximately $9 million and $7 million, respectively, and an allowance for credit losses as a % of total loans held for investment of 2.1% and 2.1%, respectively.

(3) Commercial and industrial portfolio amounts reflect balances excluding banking segment mortgage warehouse lending. Included within commercial and industrial portfolio are loans within the auto note financing industry subsector. At December 31, 2025, the auto note financing loans held for investment balance of approximately $54 million had an allowance for credit losses of approximately $1 million, and an allowance for credit losses as a percentage of total loans held for investment of 2.7%.

(4) Included within construction and land development portfolio are loans within the office and retail portfolio industry subsectors. At December 31, 2025, the retail and office loans held for investment balances of approximately $77 million and $36 million, respectively, had an allowance for credit losses of approximately $0.2 million and $0.6 million, respectively, and an allowance for credit losses as a % of total loans held for investment of 0.3% and 1.7%, respectively.

Allowance Model Sensitivity

Our allowance model was designed to capture the historical relationship between economic and portfolio changes. As such, evaluating shifts in individual portfolio attributes or macroeconomic variables in isolation may not be indicative of past or future performance. It is difficult to estimate how potential changes in any one factor or input might affect the overall allowance for credit losses because we consider a wide variety of factors and inputs in the allowance for credit losses estimate. Changes in the factors and inputs considered may not occur at the same rate and may not be consistent across all geographies or product types, and changes in factors and input may be directionally inconsistent, such that improvement in one factor may offset deterioration in others.

However, to consider the sensitivity of credit loss estimates to alternative macroeconomic forecasts, we compared the Company's allowance for credit loss estimates as of December 31, 2025, excluding margin loans in the broker-dealer segment, and the banking segment mortgage warehouse programs, with modeled results using both upside ("S1") and downside ("S3") economic scenario forecasts published by Moody's Analytics.

Compared to our economic forecast, the upside scenario assumes the economic impacts from tariffs recede faster than expected. Real GDP is expected to grow 5.4% in the first quarter of 2026, 3.3% in the second quarter of 2026, 3.3% in the third quarter of 2026, and 3.3% in the fourth quarter of 2026. Average unemployment rates are expected to decline to 3.7% by the second quarter of 2026 before reverting to historical data. The Federal Reserve reduces the federal funds rate to 3.0% during the fourth quarter of 2026.

Compared to our economic forecast, the downside scenario assumes the economic impacts from tariffs are larger than expected and the economy falls into recession in the first quarter of 2026. The recession lasts through the third quarter of 2026. Real GDP is expected to decrease 3.3% in the first quarter of 2026, 3.3% in the second quarter of 2026, and 3.8% in the third quarter of 2026. Average unemployment rates are expected to increase to 8.4% by the first quarter of 2027 and revert back to historical average rates over time. The Federal Reserve reduces the federal funds rate to support the economy to a 2.2% target by the fourth quarter of 2026 and a 1.8% target by the first quarter of 2027.

The impact of applying all of the assumptions of the upside economic scenario during the reasonable and supportable forecast period would have resulted in a decrease in the allowance for credit losses of approximately $16 million or a weighted average expected loss rate of 1.1% as a percentage of our total loan portfolio, excluding margin loans in the broker-dealer segment and the banking segment mortgage warehouse lending programs.

The impact of applying all of the assumptions of the downside economic scenario during the reasonable and supportable forecast period would have resulted in an increase in the allowance for credit losses of approximately $53 million or a weighted average expected loss rate of 2.1% as a percentage of our total loan portfolio, excluding margin loans in the broker-dealer segment and the banking segment mortgage warehouse lending programs.

This analysis relates only to the modeled credit loss estimates and is not intended to estimate changes in the overall allowance for credit losses as they do not reflect any potential changes in the adjustment to the quantitative calculation, which would also be influenced by the judgment management applies to the modeled lifetime loss estimates to reflect the uncertainty and imprecision of these modeled lifetime loss estimates based on then-current circumstances and conditions.

Our allowance for credit losses reflects our best estimate of current expected credit losses, which is highly dependent on several assumptions, including the macroeconomic outlook, inflationary pressures and labor market conditions, international armed conflicts and their impact on supply chains, the U.S. elections and other various fiscal and monetary policy decisions. The sensitivities of many of these assumptions are often correlated and nonlinear so these results should not be simply extrapolated to estimate the allowance for credit losses accurately for more severe changes in economic scenarios. Future allowance for credit losses may vary considerably for these reasons.

Allowance Activity

The following table presents the activity in our allowance for credit losses and selected credit metrics within our loan portfolio for the periods presented (in thousands). Substantially all of the activity shown below occurred within the banking segment.

	Year Ended December 31,		
	2025	2024	2023
Loans Held for Investment:			
Balance, beginning of year	$ 101,116	$ 111,413	$ 95,442
Provision for credit losses	7,311	941	18,392
Recoveries of loans previously charged off:			
Commercial real estate:			
Non-owner occupied	—	—	42
Owner occupied	19	149	41
Commercial and industrial	1,321	2,028	3,445
Construction and land development	68	2	—
1-4 family residential	29	170	135
Consumer	132	211	276
Broker-dealer	—	—	—
Total recoveries	1,569	2,560	3,939
Loans charged off:			
Commercial real estate:			
Non-owner occupied	918	1,647	34
Owner occupied	148	—	977
Commercial and industrial	16,833	11,865	4,888
Construction and land development	276	—	1
1-4 family residential	6	2	73
Consumer	278	284	387
Broker-dealer	—	—	—
Total charge-offs	18,459	13,798	6,360
Net charge-offs	(16,890)	(11,238)	(2,421)
Balance, end of year	$ 91,537	$ 101,116	$ 111,413
Average loans held for investment for the year	$ 8,079,525	$ 7,921,528	$ 7,950,878
Total loans held for investment (end of year)	$ 8,311,952	$ 7,950,551	$ 8,079,745
Loans Held for Sale:			
Average loans held for sale for the year	$ 867,819	$ 934,983	$ 944,470
Total loans held for sale (end of year)	$ 950,142	$ 858,665	$ 943,846
Selected Credit Metrics:			
Net charge-offs to average total loans held for investment [1]	(0.21)%	(0.14)%	(0.03)%
Non-accrual loans:			
Loans held for investment (end of year)	$ 49,037	$ 84,418	$ 64,337
Loans held for sale (end of year)	$ 4,411	$ 3,731	$ 3,990
Non-accrual loans to total loans (end of year)	0.58 %	1.00 %	0.76 %
Allowance for credit losses on loans held for investment to:			
Total loans (end of year)	0.99 %	1.15 %	1.23 %
Total loans held for investment (end of year)	1.10 %	1.27 %	1.38 %
Total non-accrual loans (end of year)	171.26 %	114.71 %	163.06 %
Non-accrual loans held for investment (end of year)	186.67 %	119.78 %	173.17 %

(1) Net charge-offs to average total loans held for investment ratio presented on a consolidated basis for all periods. Refer to following table for details by loan portfolio segment.

Total non-accrual loans classified as loans held for investment decreased by $35.4 million from December 31, 2024 to December 31, 2025, compared to an increase of $20.1 million from December 31, 2023 to December 31, 2024. These

changes in non-accrual loans from December 31, 2024 to December 31, 2025, were primarily due to the decreases in commercial and industrial loans, commercial real estate non-owner occupied loans and construction and land development loans.

The following table presents additional details regarding our net charge-offs to average total loans held for investment ratios by loan portfolio segment for the periods presented (in thousands). Substantially all of the activity shown below occurred within the banking segment.

Year Ended December 31, 2025	Total Allowance for Credit Losses	Net Recoveries (Charge-Offs)	Average Loans Held for Investment	Net Recoveries (Charge-Offs) as a % of Average Loans
Commercial real estate:				
Non-owner occupied	$ 24,265	$ (918)	$ 2,011,310	(0.05)%
Owner occupied	34,035	(129)	1,479,981	(0.01)%
Commercial and industrial	21,280	(15,512)	1,479,946	(1.05)%
Construction and land development	7,398	(208)	884,136	(0.02)%
1-4 Family Residential	4,136	23	1,854,551	0.00 %
Consumer	397	(146)	26,380	(0.55)%
Broker-Dealer	26	—	343,221	— %
Total	$ 91,537	$ (16,890)	$ 8,079,525	(0.21)%

Year Ended December 31, 2024	Total Allowance for Credit Losses	Net Recoveries (Charge-Offs)	Average Loans Held for Investment	Net Recoveries (Charge-Offs) as a % of Average Loans
Commercial real estate:				
Non-owner occupied	$ 29,310	$ (1,647)	$ 1,933,049	(0.09)%
Owner occupied	33,112	149	1,457,692	0.01 %
Commercial and industrial	25,609	(9,837)	1,589,711	(0.62)%
Construction and land development	7,161	2	906,028	0.00 %
1-4 Family Residential	5,327	168	1,778,486	0.01 %
Consumer	547	(73)	26,077	(0.28)%
Broker-Dealer	50	—	230,485	— %
Total	$ 101,116	$ (11,238)	$ 7,921,528	(0.14)%

Year Ended December 31, 2023	Total Allowance for Credit Losses	Net Recoveries (Charge-Offs)	Average Loans Held for Investment	Net Recoveries (Charge-Offs) as a % of Average Loans
Commercial real estate:				
Non-owner occupied	$ 40,061	$ 8	$ 1,863,359	0.00 %
Owner occupied	28,114	(936)	1,400,349	(0.07)%
Commercial and industrial	20,926	(1,443)	1,643,337	(0.09)%
Construction and land development	12,102	(1)	1,070,530	(0.00)%
1-4 Family Residential	9,461	62	1,793,260	0.00 %
Consumer	648	(111)	25,483	(0.44)%
Broker-Dealer	101	—	154,560	— %
Total	$ 111,413	$ (2,421)	$ 7,950,878	(0.03)%

As previously discussed in detail within this section, the allowance for credit losses has fluctuated from period to period, which impacted the resulting ratios noted in the table above. For the periods presented, the changes in the allowance for credit losses primarily reflected loan portfolio changes, net charge-offs activity, and changes in the U.S. economic outlook.

The distribution of the allowance for credit losses among loan types and the percentage of the loans for that type to gross loans, excluding unearned income, within our loan portfolio is presented in the table below (dollars in thousands).

	December 31,					
	2025		2024		2023	
Allocation of the Allowance for Credit Losses	Reserve	% of Gross Loans	Reserve	% of Gross Loans	Reserve	% of Gross Loans
Commercial real estate:						
Non-owner occupied	$ 24,265	25.52 %	$ 29,310	24.17 %	$ 40,061	23.39 %
Owner occupied	34,035	18.44 %	33,112	18.06 %	28,114	17.60 %
Commercial and industrial	21,280	18.36 %	25,609	19.39 %	20,926	19.90 %
Construction and land development	7,398	10.76 %	7,161	10.90 %	12,102	12.76 %
1-4 family residential	4,136	22.40 %	5,327	22.55 %	9,461	21.75 %
Consumer	397	0.37 %	547	0.36 %	648	0.34 %
Broker-dealer	26	4.15 %	50	4.57 %	101	4.26 %
Total	$ 91,537	100.00 %	$ 101,116	100.00 %	$ 111,413	100.00 %

The following table summarizes historical levels of the allowance for credit losses on loans held for investment, distributed by portfolio segment (in thousands).

	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Commercial real estate:					
Non-owner occupied	$ 24,265	$ 28,716	$ 27,837	$ 34,703	$ 29,310
Owner occupied	34,035	30,576	34,154	35,370	33,112
Commercial and industrial	21,280	22,752	23,015	23,350	25,609
Construction and land development	7,398	7,356	7,341	7,291	7,161
1-4 family residential	4,136	5,201	5,057	4,988	5,327
Consumer	397	438	538	479	547
Broker-dealer	26	129	19	16	50
	$ 91,537	$ 95,168	$ 97,961	$ 106,197	$ 101,116

Unfunded Loan Commitments

In order to estimate the allowance for credit losses on unfunded loan commitments, the Bank uses a process similar to that used in estimating the allowance for credit losses on the funded portion. The allowance is based on the estimated exposure at default, multiplied by the lifetime probability of default grade and loss given default grade for that particular loan segment. The Bank estimates expected losses by calculating a commitment usage factor based on industry usage factors. The commitment usage factor is applied over the relevant contractual period. Loss factors from the underlying loans to which commitments are related are applied to the results of the usage calculation to estimate any liability for credit losses related for each loan type. Letters of credit are not currently reserved because they are issued primarily as credit enhancements and the likelihood of funding is low.

Changes in the allowance for credit losses for loans with off-balance sheet credit exposures are shown below (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 7,918	$ 8,876	$ 7,784
Other noninterest expense	1,484	(958)	1,092
Balance, end of year	$ 9,402	$ 7,918	$ 8,876

During 2025, the increase in the allowance for unfunded commitments was due to increases in commitment balances, partially offset by decreases in loan expected loss rates. During 2024, the decrease in the allowance for unfunded commitments was primarily due to decreases in commitment balances and loan expected loss rates, while during 2023, the increase in the allowance for unfunded commitments was due to increases in loan expected loss rates.

Potential Problem Loans

Potential problem loans consist of loans that are performing in accordance with contractual terms but for which management has concerns about the ability of an obligor to continue to comply with repayment terms because of the obligor's potential operating or financial difficulties or whether repayment may depend on collateral or other risk mitigation. Management monitors these loans and reviews their performance on a regular basis. Potential problem loans contain potential weaknesses that could improve, persist or further deteriorate. If such potential weaknesses persist without improving, the loan is subject to downgrade, typically to substandard, in three to six months. Potential problem loans include those loans assigned a grade of special mention and substandard accrual within our risk grading matrix. Potential problem loans do not include purchased credit deteriorated ("PCD") loans because PCD loans exhibited evidence of more than insignificant credit deterioration at acquisition that made it probable that all contractually required principal payments would not be collected.

At December 31, 2025, we had $124.9 million in potential problem loans, compared to $166.9 million at December 31, 2024 and $207.4 million at December 31, 2023. Our potential problem loans designated as substandard accrual at December 31, 2025, 2024 and 2023 totaled $124.9 million, $152.6 million and $204.1 million, respectively. The decrease in potential problem loans from December 31, 2024 to December 31, 2025 was primarily attributable to decreases in commercial real estate non-owner occupied loans, construction and land development loans, 1-4 family residential loans and commercial and industrial loans, partially offset by an increase in commercial real estate owner occupied loans. Of the $124.9 million of potential problem loans designated as substandard accrual at December 31, 2025, $42.2 million, $32.9 million and $32.1 million were associated with commercial real estate owner occupied, commercial and industrial loans and commercial real estate non-owner occupied loans, respectively, compared to $37.3 million, $35.2 million and $48.4 million, respectively, at December 31, 2024.

At December 31, 2025 there were no potential problem loans designated as special mention, compared with four credit relationships totaling $14.2 million at December 31, 2024 and three credit relationships totaling $3.2 million at December 31, 2023.

Non-Performing Assets

The following table presents components of our non-performing assets (dollars in thousands).

	December 31,			Variance	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Loans accounted for on a non-accrual basis:					
Commercial real estate:					
Non-owner occupied	$ 3,873	$ 7,166	$ 36,440	$ (3,293)	$ (29,274)
Owner occupied	5,617	6,092	5,098	(475)	994
Commercial and industrial	28,581	59,025	9,502	(30,444)	49,523
Construction and land development	1,010	3,003	3,480	(1,993)	(477)
1-4 family residential	14,367	12,863	13,801	1,504	(938)
Consumer	—	—	6	—	(6)
Broker-dealer	—	—	—	—	—
Non-accrual loans	$ 53,448	$ 88,149	$ 68,327	$ (34,701)	$ 19,822
Non-accrual loans as a percentage of total loans	0.58 %	1.00 %	0.76 %	(0.42)%	0.24 %
Other real estate owned	$ 8,020	$ 2,848	$ 5,095	$ 5,172	$ (2,247)
Other repossessed assets	$ —	$ 98	$ —	$ (98)	$ 98
Non-performing assets	$ 61,468	$ 91,095	$ 73,422	$ (29,627)	$ 17,673
Non-performing assets as a percentage of total assets	0.39 %	0.56 %	0.45 %	(0.17)%	0.11 %
Loans past due 90 days or more and still accruing	$ 33,811	$ 22,090	$ 115,090	$ 11,721	$ (93,000)

At December 31, 2025, non-accrual loans included 29 commercial and industrial relationships with loans secured primarily by notes receivable, accounts receivable and inventory. Non-accrual loans at December 31, 2025 also included $4.4 million of loans secured by residential real estate which were classified as loans held for sale. At December 31, 2024, non-accrual loans included 27 commercial and industrial relationships with loans secured primarily by notes receivable, accounts receivable and equipment. Non-accrual loans at December 31, 2024 also included $3.7 million of loans secured by residential real estate which were classified as loans held for sale. At December 31, 2023, non-accrual loans included 40 commercial and industrial relationships with loans secured primarily by accounts notes receivable, accounts receivable and equipment. Non-accrual loans at December 31, 2023 also included $4.0 million of loans secured by residential real estate which were classified as loans held for sale. The change in loans in non-accrual status since December 31, 2024 was primarily driven by decreases in commercial and industrial loans and commercial real estate non-owner occupied loans.

Other real estate owned ("OREO") increased from December 31, 2024 to December 31, 2025, primarily due to additions totaling $7.6 million, partially offset by disposals and valuation adjustments totaling $2.4 million. OREO decreased from December 31, 2023 to December 31, 2024, primarily due to disposals and valuation adjustments totaling $4.8 million, partially offset by additions totaling $2.5 million.

Loans past due 90 days or more and still accruing at December 31, 2025, 2024 and 2023 were primarily comprised of loans held for sale and guaranteed by U.S. government agencies, including GNMA related loans subject to repurchase within our mortgage origination segment. The significant decline in loans included in loans past due 90 days or more and still accruing since December 31, 2023 was primarily due to sale of such loans serviced by the mortgage origination segment during the fourth quarter of 2024.

Deposits

The banking segment's major source of funds and liquidity is its deposit base. Deposits provide funding for its investments in loans and securities. Interest paid for deposits must be managed carefully to control the level of interest expense and overall net interest margin. The composition of the deposit base (time deposits versus interest-bearing demand deposits and savings), as discussed in more detail within the section titled "Liquidity and Capital Resources — Banking Segment" below, is constantly changing due to the banking segment's needs and market conditions. Currently, the banking segment is facing continued competition for its deposit base as customers seek higher yields on deposits. Consistent with the consolidated trend in average rates paid on interest-bearing deposits noted in the table below, the banking segment's average rate paid on interest-bearing deposits during 2025, 2024 and 2023 was 3.09%, 3.83% and 3.50%, respectively.

Given the cumulative 125-basis point decrease in interest rates since September 2024 and current deposit levels, the Bank's cumulative interest-bearing deposit pricing beta, excluding deposits from the Hilltop Securities FDIC-insured sweep program and brokered deposits, has approximated 68%. The deposit pricing beta represents the change in interest-bearing deposit pricing in response to a change in market interest rates. The historical interest-bearing deposit pricing beta for the Bank, excluding deposits from our Hilltop Securities FDIC-insured sweep program and brokered deposits, has approximated 58%. We expect that the Bank's cost related to interest-bearing deposits during 2026 will continue to be driven by various factors, including, but not limited to competitive pressures, broader economic conditions, future changes in the target range for the federal funds rate, customer behavior and our liquidity position at that time.

The table below presents the average balance of, and rate paid on, consolidated deposits (dollars in thousands).

	Year Ended December 31,					
	2025		2024		2023	
	Average Balance	Average Rate Paid	Average Balance	Average Rate Paid	Average Balance	Average Rate Paid
Noninterest-bearing demand deposits	$ 2,730,336	0.00 %	$ 2,824,450	0.00 %	$ 3,441,437	0.00 %
Interest-bearing deposits:						
Demand	6,508,825	2.76 %	6,356,653	3.45 %	6,369,558	2.92 %
Savings	228,141	0.98 %	236,482	1.14 %	282,127	1.09 %
Time	1,223,812	3.77 %	1,229,401	4.34 %	1,059,885	3.24 %
	7,960,778	2.87 %	7,822,536	3.52 %	7,711,570	2.89 %
Total deposits	$ 10,691,114	2.14 %	$ 10,646,986	2.59 %	$ 11,153,007	2.00 %

The table above includes interest-bearing brokered deposits with balances of approximately $15 million at December 31, 2025, compared with approximately $15 million and $208 million at December 31, 2024 and 2023, respectively. The variability in the level of brokered deposits has been, and will continue to be, managed through asset/liability strategy and policies that are address diversification of funding sources and market conditions, including demand by customers and other investors for those deposits, and the cost of funds available from alternative sources at the time.

At December 31, 2025, total estimated uninsured deposits were $5.9 billion, or approximately 54% of total deposits, while estimated uninsured deposits, excluding collateralized deposits of $693.9 million and internal accounts of $302.8 million, were $4.9 billion, or approximately 45% of total deposits. Total estimated uninsured deposits were $5.7 billion, or approximately 52% of total deposits, as of December 31, 2024.

The following table presents the scheduled maturities of the portion of our time deposits that are in excess of the FDIC insurance limit of $250,000 as of December 31, 2025 (in thousands).

Months to maturity:	
3 months or less	$ 161,637
3 months to 6 months	34,117
6 months to 12 months	96,471
Over 12 months	47,244
	$ 339,469

Borrowings

Our consolidated borrowings are shown in the table below (dollars in thousands).

	December 31,					
	2025		2024		2023	
	Balance	Average Rate Paid	Balance	Average Rate Paid	Balance	Average Rate Paid
Short-term borrowings	$ 676,882	4.16 %	$ 834,023	4.64 %	$ 900,038	4.75 %
Notes payable	148,587	6.68 %	347,667	4.22 %	347,145	4.27 %
	$ 825,469	4.63 %	$ 1,181,690	4.52 %	$ 1,247,183	4.64 %

Short-term borrowings consisted of federal funds purchased, securities sold under agreements to repurchase, borrowings at the FHLB, short-term bank loans and commercial paper. The decrease in short-term borrowings at December 31, 2025, compared with December 31, 2024, primarily reflected a decrease in federal funds purchased by the banking segment, partially offset by increases in securities sold under agreements to repurchase and commercial paper by the broker-dealer segment. The decrease in short-term borrowings at December 31, 2024, compared with December 31, 2023, primarily reflected decreases in federal funds purchased by the banking segment and securities sold under agreements to repurchase by the broker-dealer segment, partially offset by an increase in commercial paper by the broker-dealer segment.

Notes payable at December 31, 2025 was comprised of $148.6 million related to the 2035 Subordinated Notes, net of origination fees. Notes payable at December 31, 2024 and 2023 was comprised of $149.7 million and $149.5 million, respectively, related to the Senior Notes, net of loan origination fees, that were redeemed on January 15, 2025, the 2030 Subordinated Notes, net of origination fees, of $49.6 million and $49.5 million, respectively, that were redeemed on May 15, 2025, and the 2035 Subordinated Notes, net of origination fees, of $148.6 million and $148.2 million, respectively.

Liquidity and Capital Resources

Hilltop is a financial holding company whose assets primarily consist of the stock of its subsidiaries and invested assets. Hilltop's primary investment objectives, as a holding company, are to support capital deployment for organic growth and to preserve capital to be deployed through acquisitions, dividend payments and stock repurchases. At December 31, 2025, Hilltop had $212.7 million in cash and cash equivalents, a decrease of $207.8 million from $420.5 million at

December 31, 2024. This decrease in cash and cash equivalents was primarily due to cash outflows from the redemption of our Senior Notes and 2030 Subordinated Notes, $184.0 million in stock repurchases, $45.4 million in cash dividends declared and other general corporate expenses, partially offset by the receipt of $249.0 million of dividends from subsidiaries. Subject to regulatory restrictions, Hilltop has received, and may also continue to receive, dividends from its subsidiaries. If necessary or appropriate, we may also finance acquisitions with the proceeds from equity or debt issuances. We believe that Hilltop's liquidity is sufficient for the foreseeable future, with current short-term liquidity needs including operating expenses, redemption of debt obligations, interest on debt obligations, dividend payments to stockholders and potential stock repurchases.

As discussed in more detail below, our 2030 Subordinated Notes, previously scheduled to mature in May 2030, were redeemed on May 15, 2025 using cash on hand, and all of our outstanding Senior Notes previously scheduled to mature in April 2025 were redeemed on January 15, 2025 using cash on hand.

Economic Environment

As previously discussed, operational and financial headwinds during 2023, 2024 and 2025 have had, and are expected to continue to have, an adverse impact on our operating results during 2026. The extent of the impacts of uncertain economic conditions on our financial performance that began in 2022 and have continued throughout 2025, and are expected to continue in 2026, will depend on several developments outside of our control, including, among others, changes in the political environment, the timing and significance of further changes in U.S. treasury yields and mortgage interest rates, changes in funding costs, inflationary pressures associated, and international armed conflicts and their impact on supply chains. As demonstrated during the extreme volatility and disruptions in the capital and credit markets beginning in March 2020 resulting from the pandemic and banking sector-related uncertainty and concerns associated with liquidity positions primarily due to bank failures during early 2023 and their respective negative impacts on the economy, we will continue to monitor the economic environment and evaluate appropriate actions to enhance our financial flexibility, protect capital, minimize losses and ensure target liquidity levels.

Dividend Program and Declaration

In October 2016, we announced that our board of directors authorized a dividend program under which we intend to pay quarterly dividends on our common stock, subject to quarterly declarations by our board of directors. During 2025, we declared and paid cash dividends of $0.72 per common share, or $45.4 million.

On January 29, 2026, our board of directors declared a quarterly cash dividend of $0.20 per common share, payable on February 27, 2026 to all common stockholders of record as of the close of business on February 13, 2026.

Future dividends on our common stock are subject to the determination by the board of directors based on an evaluation of our earnings and financial condition, liquidity and capital resources, the general economic and regulatory climate, our ability to service any equity or debt obligations senior to our common stock and other factors.

Stock Repurchases

In January 2026, our board of directors authorized a new stock repurchase program through January 2027, pursuant to which we are authorized to repurchase, in the aggregate, up to $125.0 million of our outstanding common stock, inclusive of repurchases to offset dilution related to grants of stock-based compensation. Under the stock repurchase program authorized, we may repurchase shares in the open market or through privately negotiated transactions as permitted under Rule 10b-18 promulgated under the Exchange Act. The extent to which we repurchase our shares and the timing of such repurchases depends upon market conditions and other corporate considerations, as determined by Hilltop's management team. Repurchased shares will be returned to our pool of authorized but unissued shares of common stock. We commenced share repurchases under the stock repurchase program in the first quarter of 2026.

In January 2025, our board of directors authorized a stock repurchase program through January 2026, pursuant to which we were authorized to repurchase, in the aggregate, up to $100.0 million of our outstanding common stock, which authorization was increased to $135.0 million in July 2025, and to $185.0 million in October 2025. During 2025, Hilltop

paid $184.0 million to repurchase an aggregate of 5,705,205 shares of our common stock at an average price of $32.26 per share pursuant to the stock repurchase program.

In January 2024, our board of directors authorized a stock repurchase program through January 2025, pursuant to which we were authorized to repurchase, in the aggregate, up to $75.0 million of our outstanding common stock. During 2024, Hilltop paid $19.9 million to repurchase an aggregate of 640,042 shares of our common stock at an average price of $31.04 per share pursuant to the stock repurchase program.

Our share repurchases in excess of issuance may be subject to a nondeductible 1% excise tax enacted by the Inflation Reduction Act of 2022, subject to certain limitations. During 2025, an excise tax of $1.7 million on net share repurchases was accrued and recorded to additional paid-in capital on the consolidated balance sheets. While we may complete transactions subject to the excise tax, we do not expect the tax to have a material impact to our financial condition or results of operations.

Senior Notes due 2025

On January 15, 2025 (three months prior to the maturity date of the Senior Notes) we redeemed, at our election, all of our outstanding Senior Notes at a redemption price equal to 100% of the principal amount of $150 million, plus accrued and unpaid interest to, but excluding, the Redemption Date using cash on hand, which also satisfied and discharged our obligations under the Senior Notes and the Senior Notes Indenture.

Subordinated Notes due 2030 and 2035

On May 7, 2020, we completed a public offering of $50 million aggregate principal amount of 2030 Subordinated Notes and $150 million aggregate principal amount of 2035 Subordinated Notes with scheduled maturities on May 15, 2030 and May 15, 2035, respectively. The price to the public for the Subordinated Notes was 100% of the principal amount of the Subordinated Notes. The net proceeds from the offering, after deducting underwriting discounts and fees and expenses of $3.4 million, were $196.6 million.

On May 15, 2025, we redeemed, at our election, all of our outstanding 2030 Subordinated Notes at a redemption price equal to 100% of the principal amount of $50 million, plus accrued and unpaid interest to, but excluding, the 2030 Subordinated Notes Redemption Date using cash on hand, which also satisfied and discharged our obligations under the 2030 Subordinated Notes and the First Supplemental Indenture.

We may redeem the 2035 Subordinated Notes, in whole or in part, from time to time, subject to obtaining Federal Reserve approval, beginning with the interest payment date of May 15, 2030 at a redemption price equal to 100% of the principal amount of the Subordinated Notes being redeemed plus accrued and unpaid interest to but excluding the date of redemption.

The 2035 Subordinated Notes bear interest at a rate of 6.125% per year, payable semi-annually in arrears commencing on November 15, 2020. The interest rate for the 2035 Subordinated Notes will reset quarterly beginning May 15, 2030 to an interest rate, per year, equal to the then-current benchmark rate, which is expected to be three-month term SOFR rate plus 5.80%, payable quarterly in arrears. At December 31, 2025, $150.0 million of our Subordinated Notes was outstanding.

Regulatory Capital

We are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements may prompt certain actions by regulators that, if undertaken, could have a direct material adverse effect on our financial condition and results of operations. Under capital adequacy and regulatory requirements, we must meet specific capital guidelines that involve quantitative measures of our assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. Our capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

In order to avoid limitations on capital distributions, including dividend payments, stock repurchases and certain discretionary bonus payments to executive officers, Basel III requires banking organizations to maintain a capital conservation buffer above minimum risk-based capital requirements measured relative to risk-weighted assets.

The following table shows PlainsCapital's and Hilltop's actual capital amounts and ratios in accordance with Basel III compared to the regulatory minimum capital requirements including conservation buffer ratio in effect at December 31, 2025 (dollars in thousands). Based on actual capital amounts and ratios shown in the following table, PlainsCapital's ratios place it in the "well capitalized" (as defined) capital category under regulatory requirements.

	December 31, 2025		Minimum Capital Requirements Including Conservation Buffer	To Be Well Capitalized
	Amount	Ratio	Ratio	Ratio
Tier 1 capital (to average assets):				
PlainsCapital	$ 1,320,094	10.60 %	4.0 %	5.0 %
Hilltop	1,975,226	12.78 %	4.0 %	N/A
Common equity Tier 1 capital (to risk-weighted assets):				
PlainsCapital	1,320,094	14.49 %	7.0 %	6.5 %
Hilltop	1,975,226	19.70 %	7.0 %	N/A
Tier 1 capital (to risk-weighted assets):				
PlainsCapital	1,320,094	14.49 %	8.5 %	8.0 %
Hilltop	1,975,226	19.70 %	8.5 %	N/A
Total capital (to risk-weighted assets):				
PlainsCapital	1,421,007	15.60 %	10.5 %	10.0 %
Hilltop	2,226,165	22.20 %	10.5 %	N/A

We discuss regulatory capital requirements in more detail in Note 21 to our consolidated financial statements, as well as under the caption "Government Supervision and Regulation — Corporate — Capital Adequacy Requirements and BASEL III" set forth in Part I, Item I. of this Annual Report.

Banking Segment

Within our banking segment, our primary uses of cash are for customer withdrawals and extensions of credit as well as our borrowing costs and other operating expenses. Historically, high-profile bank failures have periodically increased market uncertainty and concerns associated with banking sector liquidity positions, increased regulatory scrutiny and underscored the importance of maintaining access to diverse sources of funding. Our corporate treasury group is responsible for continuously monitoring our liquidity position to ensure that our assets and liabilities are managed in a manner that will meet our short-term and long-term cash requirements. Our goal is to manage our liquidity position in a manner such that we can meet our customers' short-term and long-term deposit withdrawals and anticipated and unanticipated increases in loan demand without penalizing earnings. Funds invested in short-term marketable instruments, the continuous maturing of other interest-earning assets, cash flows from self-liquidating investments such as mortgage-backed securities and collateralized mortgage obligations, the possible sale of available for sale securities, and the ability to securitize certain types of loans provide sources of liquidity from an asset perspective. The liability base provides sources of liquidity through deposits and the maturity structure of short-term borrowed funds. For short-term liquidity needs, we utilize federal fund lines of credit with correspondent banks, securities sold under agreements to repurchase, borrowings from the Federal Reserve and borrowings under lines of credit with other financial institutions. For intermediate liquidity needs, we utilize advances from the FHLB. To supply liquidity over the longer term, we have access to brokered time deposits, term loans at the FHLB and borrowings under lines of credit with other financial institutions.

The above sources of liquidity allow the banking segment to meet increased liquidity demands without adversely affecting daily operations. The Bank's borrowing capacity through access to secured funding sources is summarized in the following table (in millions). Available liquidity noted below does not include borrowing capacity available through the discount window at the Federal Reserve.

	December 31,	
	2025	2024
FHLB capacity	$ 4,352	$ 4,284
Investment portfolio (available)	1,003	1,397
Fed deposits (excess daily requirements)	1,013	2,053
	$ 6,368	$ 7,734

As previously discussed, during 2025, our overall deposit costs decreased, primarily due to lower rates on interest-bearing deposits on certain products and product tiers in conjunction with rate reductions by the Federal Reserve to lower the effective funds rate. During 2024, our deposit funding costs increased due to continued competition for liquidity to combat deposit outflows. During 2023, we began increasing interest-bearing deposit rates to address rising market interest rates and intense competition for liquidity to combat deposit outflows. We are continuing to actively manage our overall deposit funding costs and anticipate potential opportunities to further lower interest-bearing deposit rates. Future decisions on the cost of deposits will continue to be influenced by various factors including, but not limited to competitive pressures, broader economic conditions, future changes in the target range for the federal funds rate, customer behavior and our liquidity position at that time. At December 31, 2025, the Bank accessed and included approximately $100 million of core deposits on its balance sheet from our Hilltop Securities FDIC-insured sweep program. The Bank is not utilizing any of its FHLB borrowing capacity noted above through the use of short-term borrowings.

Within our banking segment, deposit flows are affected by the level of market interest rates, the interest rates and products offered by competitors, the volatility of equity markets and other factors. An economic recovery and improved commercial real estate investment outlook may result in an outflow of deposits at an accelerated pace as customers utilize such available funds for expanded operations and investment opportunities. The Bank regularly evaluates its deposit products and pricing structures relative to the market to maintain competitiveness over time. Currently, the Bank is facing continued competition from bank and non-bank competitors for its deposit base and expects that its interest expense on certain deposits will continue to be driven by various factors, including competition as well as economic and market area factors.

The Bank's 15 largest depositors, excluding Hilltop, Hilltop Securities and PrimeLending, collectively accounted for 16.02% of the Bank's total deposits, and the Bank's five largest depositors, excluding Hilltop, collectively accounted for 10.16% of the Bank's total deposits at December 31, 2025. The loss of one or more of our largest Bank customers, or a significant decline in our deposit balances due to ordinary course fluctuations related to these customers' businesses, could adversely affect our liquidity and might require us to raise deposit rates to attract new deposits, purchase federal funds or borrow funds on a short-term basis to replace such deposits.

Broker-Dealer Segment

The Hilltop Broker-Dealers finance their assets and operations primarily from their equity capital, short-term bank borrowings, interest-bearing and noninterest-bearing client credit balances, correspondent deposits, securities lending arrangements, repurchase agreement financing, commercial paper issuances and other payables, subject to their respective compliance with broker-dealer net capital and customer protection rules. At December 31, 2025, Hilltop Securities had credit arrangements with two unaffiliated banks, with maximum aggregate commitments of up to $425.0 million. These credit arrangements are used to finance securities owned, securities held for correspondent accounts, receivables in customer margin accounts and underwriting activities. These credit arrangements are provided on an "as offered" basis and are not committed lines of credit. In addition, Hilltop Securities has committed revolving credit facilities with two unaffiliated banks, with aggregate availability of up to $125.0 million. At December 31, 2025, Hilltop Securities had no outstanding borrowings under its credit arrangements or its credit facilities.

Hilltop Securities uses the net proceeds (after deducting related issuance expenses) from the sale of two commercial paper programs for general corporate purposes, including working capital and the funding of a portion of its securities inventories. The commercial paper notes ("CP Notes") may be issued with maturities of 14 days to 270 days from the date of issuance. The CP Notes are issued under two separate programs, Series 2019-2 CP Notes and Series 2024-1 CP, in maximum aggregate amounts of $200 million and $300 million, respectively. The CP Notes are not redeemable prior to maturity or subject to voluntary prepayment and do not bear interest, but are sold at a discount to par. The CP Notes are secured by a pledge of collateral owned by Hilltop Securities.

As of December 31, 2025, the weighted average maturity of the CP Notes was 145 days at a rate of 4.45%, with a weighted average remaining life of 67 days. At December 31, 2025, the aggregate amount outstanding under these secured arrangements was $254.4 million, which was collateralized by securities held for Hilltop Securities accounts valued at $279.0 million.

Mortgage Origination Segment

PrimeLending funds the mortgage loans it originates through a warehouse line of credit maintained with the Bank which had a total commitment of $1.2 billion, of which $870.6 million was drawn at December 31, 2025. PrimeLending sells substantially all mortgage loans it originates to various investors in the secondary market, historically with the majority with servicing released. As these mortgage loans are sold in the secondary market, PrimeLending pays down its warehouse line of credit with the Bank. In addition, PrimeLending has an available line of credit with an unaffiliated bank of up to $1.0 million, of which no borrowings were drawn at December 31, 2025.

PrimeLending owns a 100% membership interest in PrimeLending Ventures Management, LLC ("Ventures Management") which holds a controlling ownership interest in and is the managing member of certain ABAs. At December 31, 2025, these ABAs had combined available lines of credit totaling $65.0 million, all of which was with the Bank, with outstanding borrowings of $31.6 million.

Other Material Contractual Obligations, Off-Balance Sheet Arrangements, Commitments and Guarantees

The following table presents information regarding other material contractual obligations at December 31, 2025 not previously discussed (in thousands). Payments related to leases are based on actual payments specified in the underlying contracts, and the table below includes all leases that had commenced as of December 31, 2025.

	Payments Due by Period				
	1 year or Less	More than 1 Year but Less than 3 Years	3 Years or More but Less than 5 Years	5 Years or More	Total
Finance lease obligations	$ 813	$ 597	$ —	$ —	$ 1,410
Operating lease obligations	29,181	43,247	29,825	13,021	115,274
Total	$ 29,994	$ 43,844	$ 29,825	$ 13,021	$ 116,684

Additionally, in the normal course of business, we enter into various transactions, which, in accordance with GAAP, are not included in our consolidated balance sheets. We enter into these transactions to meet the financing needs of our customers. These transactions include commitments to extend credit and standby letters of credit, which involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amounts recognized in our consolidated balance sheets.

Banking Segment

We enter into contractual loan commitments to extend credit, normally with fixed expiration dates or termination clauses, at specified rates and for specific purposes. Substantially all of our commitments to extend credit are contingent upon customers maintaining specific credit standards until the time of loan funding. We minimize our exposure to loss under these commitments by subjecting them to credit approval and monitoring procedures. We assess the credit risk associated with certain commitments to extend credit and have recorded a liability related to such credit risk in our consolidated financial statements.

Standby letters of credit are written conditional commitments issued by us to guarantee the performance of a customer to a third-party. In the event the customer does not perform in accordance with the terms of the agreement with the third-party, we would be required to fund the commitment. The maximum potential amount of future payments we could be required to make is represented by the contractual amount of the commitment. If the commitment is funded, we would be entitled to seek recovery from the customer. Our policies generally require that standby letter of credit arrangements contain security and debt covenants similar to those contained in loan agreements.

In the aggregate, the Bank had outstanding unused commitments to extend credit of $2.2 billion at December 31, 2025 and outstanding financial and performance standby letters of credit of $108.5 million at December 31, 2025.

Broker-Dealer Segment

The Hilltop Broker-Dealers execute, settle and finance various securities transactions that may expose the Hilltop Broker-Dealers to off-balance sheet risk in the event that a customer or counterparty does not fulfill its contractual obligations. Examples of such transactions include the sale of securities not yet purchased by customers or for the account of the Hilltop Broker-Dealers, use of derivatives to support certain non-profit housing organization clients, clearing agreements between the Hilltop Broker-Dealers and various clearinghouses and broker-dealers, secured financing arrangements that involve pledged securities, and when-issued underwriting and purchase commitments.

Impact of Inflation and Changing Prices

Our consolidated financial statements included herein have been prepared in accordance with GAAP, which presently require us to measure financial position and operating results primarily in terms of historic dollars. Changes in the relative value of money due to inflation or recession are generally not considered. The primary effect of inflation on our operations is reflected in increased operating costs. Historically, changes in interest rates affect the financial condition of a financial institution to a far greater degree than changes in the inflation rate. Inflationary pressures have moderated in recent periods with the inflation rate coming down from its peak with the expectation that there will be continued moderation of inflation during 2026. However, the impact and timing of tariffs and changes in trade policy add uncertainty to the inflation outlook. Furthermore, a prolonged period of inflation has, and could cause our costs, including compensation, occupancy and software costs, to increase, which could adversely affect our results of operations and financial condition.

While interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or in the same magnitude as the inflation rate. Interest rates are highly sensitive to many factors that are beyond our control, including changes in the expected rate of inflation, the influence of general and local economic conditions and the monetary and fiscal policies of the U.S. government, its agencies and various other governmental regulatory authorities.

Critical Accounting Estimates

We have identified certain accounting estimates which involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. Our accounting policies are more fully described in Note 1 to the consolidated financial statements. Actual amounts and values as of the balance sheet dates may be materially different than the amounts and values reported due to the inherent uncertainty in the estimation process. Also, future amounts and values could differ materially from those estimates due to changes in values and circumstances after the balance sheet date. The critical accounting estimates, as summarized below, which we believe to be the most critical in preparing our consolidated financial statements relate to allowance for credit losses and goodwill and identifiable intangible assets.

Allowance for Credit Losses

The allowance for credit losses for loans represents management's estimate of all expected credit losses over the expected contractual life of our existing loan portfolio. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. Subsequent evaluations of the then existing loan portfolio, in light of the factors then prevailing, may result in significant changes in the allowance for credit losses in those future periods.

We employ a disciplined process and methodology to establish our allowance for credit losses that has two basic components: first, an asset-specific component involving individual loans that do not share risk characteristics with other loans and the measurement of expected credit losses for such individual loans; and second, a pooled component for estimated expected credit losses for pools of loans that share similar risk characteristics.

The credit loss estimation process for both on and off-balance sheet exposures involves procedures to appropriately consider the unique characteristics of our loan portfolio segments, which are further disaggregated into loan classes, the level at which credit risk is monitored. When computing allowance levels, credit loss assumptions are estimated using models that analyze loans according to credit risk ratings, loss history, delinquency status and other credit trends and risk characteristics, including current conditions and reasonable and supportable forecasts about the future. Significant variables that impact the modeled losses across our loan portfolios are the U.S. Real Gross Domestic Product, or GDP, growth rates and unemployment rate assumptions. Future factors and forecasts may result in significant changes in the allowance and provision for (reversal of) credit losses in those future periods.

Credit quality is assessed and monitored by evaluating various attributes, such as credit risk ratings, historic loss experience, past due status and other credit trends and risk characteristics, including current conditions and reasonable and supportable forecasts about the future. The results of these continuous credit quality evaluations help form our underwriting criteria for new loans and also factor into the process for estimation of the allowance for credit losses. The allowance level is influenced by loan volumes, loan asset quality, delinquency status, historic loss experience and other conditions influencing loss expectations, such as reasonable and supportable forecasts of economic conditions. The allowance for credit losses will primarily reflect estimated losses for pools of loans that share similar risk characteristics, but will also consider individual loans that do not share risk characteristics with other loans.

In estimating the component of the allowance for credit losses for loans that share similar risk characteristics with other loans, such loans are segregated into loan classes. Loans are designated into loan classes based on loans pooled by product types and similar risk characteristics or areas of risk concentration. In determining the allowance for credit losses, we derive an estimated credit loss assumption from a model that categorizes loan pools based on loan type and internal risk rating or delinquency bucket.

When a loan moves to a substandard non-accrual or worse risk rating grade, it is removed from the collective evaluation allowance methodology and is subject to individual evaluation. A problem asset report is prepared for each loan in excess of a predetermined threshold and the net realizable value of the loan is determined. This value is compared to the appropriate loan basis (depending on whether the loan is a PCD loan or a non-PCD loan) to determine the required allowance for credit loss reserve amount.

Estimating the timing and amounts of future losses is subject to significant management judgment as these loss cash flows rely upon estimates such as default rates, loss severities, collateral valuations, the amounts and timing of principal payments (including any expected prepayments) or other factors that are reflective of current or future expected conditions. These estimates, in turn, depend on the duration of current overall economic conditions, industry, borrower, or portfolio specific conditions, the expected outcome of bankruptcy or insolvency proceedings, as well as, in certain circumstances, other economic factors, including the level of current and future real estate prices. All of these estimates and assumptions require significant management judgment and certain assumptions that are highly subjective. Model imprecision also exists in the allowance for credit losses estimation process due to the inherent time lag of available industry information and differences between expected and actual outcomes.

The provision for (reversal of) credit losses recorded through earnings, and reduced by the charge-off of loan amounts, net of recoveries, is the amount necessary to maintain the allowance for credit losses at the amount of expected credit losses inherent within the loans held for investment portfolio. The amount of expense and the corresponding level of allowance for credit losses for loans are based on our evaluation of the collectability of the loan portfolio based on historical loss experience, reasonable and supportable forecasts, and other significant qualitative and quantitative factors. Refer to "Financial Condition – Allowance for Credit Losses on Loans" and Notes 1 and 6 to the consolidated financial statements for further discussion of the methodology used in establishing the allowance and changes during the relevant period in the provision for (reversal of) credit losses.

Goodwill and Identifiable Intangible Assets

Goodwill and other identifiable intangible assets are initially recorded at their estimated fair values at the date of acquisition. Goodwill and other intangible assets having an indefinite useful life are not amortized for financial statement purposes. In the event that facts and circumstances indicate that the goodwill or other identifiable intangible assets may be impaired, an interim impairment test would be required. Intangible assets with finite lives are amortized over their useful lives. We perform required annual impairment tests of our goodwill and other intangible assets as of October 1st for our reportable business segments.

The goodwill impairment test requires us to make judgments and assumptions. The test consists of estimating the fair value of each reportable business segment based on valuation techniques, including a discounted cash flow model using revenue and profit forecasts and recent industry transaction and trading multiples of our peers, and comparing those estimated fair values with the carrying values of the assets and liabilities of each business segment, which includes the allocated goodwill. If the estimated fair value is less than the carrying value, we will recognize an impairment charge for the amount by which the carrying amount exceeds the business segment's fair value; however, any loss recognized will not exceed the total amount of goodwill allocated to that business segment.

This evaluation includes multiple assumptions, including estimated discounted cash flows and other estimates that may change over time. If future discounted cash flows become less than those projected by us, future impairment charges may become necessary that could have a materially adverse impact on our results of operations and financial condition in the period in which the write-off occurs.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risks. Market risk represents the risk of loss that may result from changes in value of a financial instrument as a result of changes in interest rates, market prices and the credit perception of an issuer. The disclosure is not meant to be a precise indicator of expected future losses, but rather an indicator of reasonably possible losses, and therefore our actual results may differ from any of the following projections. This forward-looking information provides an indicator of how we view and manage our ongoing market risk exposures.

Banking Segment

The banking segment is engaged primarily in the business of investing funds obtained from deposits and borrowings in interest-earning loans and investments, and our primary component of market risk is sensitivity to changes in interest rates. Consequently, our earnings depend to a significant extent on our net interest income, which is the difference between interest income on loans and investments and our interest expense on deposits and borrowings. To the extent that our interest-bearing liabilities do not reprice or mature at the same time as our interest-bearing assets, we are subject to interest rate risk and corresponding fluctuations in net interest income.

There are several common sources of interest rate risk that must be effectively managed if there is to be minimal impact on our earnings and capital. Repricing risk arises largely from timing differences in the pricing of assets and liabilities. Reinvestment risk refers to the reinvestment of cash flows from interest payments and maturing assets at lower or higher rates. Basis risk exists when different yield curves or pricing indices do not change at precisely the same time or in the

same magnitude such that assets and liabilities with the same maturity are not all affected equally. Yield curve risk refers to unequal movements in interest rates across a full range of maturities.

We have employed asset/liability management policies that attempt to manage our interest-earning assets and interest-bearing liabilities, thereby attempting to control the volatility of net interest income, without having to incur unacceptable levels of risk. We employ procedures which include interest rate shock analysis, repricing gap analysis and balance sheet decomposition techniques to help mitigate interest rate risk in the ordinary course of business. In addition, the asset/liability management policies permit the use of various derivative instruments to manage interest rate risk or hedge specified assets and liabilities. To help mitigate net interest income spread compression between our assets and liabilities, management maintains derivative trades, as either cash flow hedges or fair value hedges, that better align repricing characteristics. Any changes in interest rates across the term structure may continue to impact net interest income and net interest margin. The impact of rate movements will change with the shape of the yield curve, including any changes in steepness or flatness and inversions at any points on the yield curve.

An interest rate sensitive asset or liability is one that, within a defined time period, either matures or experiences an interest rate change in line with general market interest rates. The management of interest rate risk is performed by analyzing the maturity and repricing relationships between interest-earning assets and interest-bearing liabilities at specific points in time ("GAP") and by analyzing the effects of interest rate changes on net interest income over specific periods of time by projecting the performance of the mix of assets and liabilities in varied interest rate environments. Interest rate sensitivity reflects the potential effect on net interest income resulting from a movement in interest rates. A company is considered to be asset sensitive, or have a positive GAP, when the amount of its interest-earning assets maturing or repricing within a given period exceeds the amount of its interest-bearing liabilities also maturing or repricing within that time period. Conversely, a company is considered to be liability sensitive, or have a negative GAP, when the amount of its interest-bearing liabilities maturing or repricing within a given period exceeds the amount of its interest-earning assets also maturing or repricing within that time period. During a period of falling interest rates, a negative GAP would tend to result in an increase in net interest income, while a positive GAP would tend to affect net interest income adversely. During a period of rising interest rates, a negative GAP would tend to affect net interest income adversely, while a positive GAP would tend to result in an increase in net interest income.

As illustrated in the table below, the banking segment is currently asset sensitive overall. Loans that adjust daily or monthly to the Wall Street Journal Prime rate comprise a large percentage of interest sensitive assets and are the primary cause of the banking segment's asset sensitivity. To help neutralize interest rate sensitivity, the banking segment has kept the terms of most of its borrowings under one year as shown in the following table (dollars in thousands).

	December 31, 2025					
	3 Months or Less	> 3 Months to 1 Year	> 1 Year to 3 Years	> 3 Years to 5 Years	> 5 Years	Total
Interest sensitive assets:						
Loans	$ 4,680,271	$ 1,429,230	$ 1,653,881	$ 670,094	$ 426,707	$ 8,860,183
Securities	379,209	214,782	486,765	375,573	821,490	2,277,819
Federal funds sold and securities purchased under agreements to resell	1,035,081	—	—	—	—	1,035,081
Other interest sensitive assets	14,319	—	—	—	59,790	74,109
Total interest sensitive assets	6,108,880	1,644,012	2,140,646	1,045,667	1,307,987	12,247,192
Interest sensitive liabilities:						
Interest bearing checking	$ 6,627,225	$ —	$ —	$ —	$ —	$ 6,627,225
Savings	225,612	—	—	—	—	225,612
Time deposits	633,762	441,221	83,496	7,965	73	1,166,517
Notes payable and other borrowings	219,528	30	106	158	826	220,648
Total interest sensitive liabilities	7,706,127	441,251	83,602	8,123	899	8,240,002
Interest sensitivity gap	$ (1,597,247)	$ 1,202,761	$ 2,057,044	$ 1,037,544	$ 1,307,088	$ 4,007,190
Cumulative interest sensitivity gap	$ (1,597,247)	$ (394,486)	$ 1,662,558	$ 2,700,102	$ 4,007,190	
Percentage of cumulative gap to total interest sensitive assets	(13.04)%	(3.22)%	13.58 %	22.05 %	32.72 %	

The positive GAP in the interest rate analysis indicates that banking segment net interest income would generally rise if rates increase. Because of inherent limitations in interest rate GAP analysis, the banking segment uses multiple interest rate risk measurement techniques. Simulation analysis is used to subject the current repricing conditions to rising and

falling interest rates in increments and decrements of 50 to 100 basis points to determine the effect on net interest income changes for the next twelve months. The banking segment also measures the effects of changes in interest rates on economic value of equity by discounting projected cash flows of deposits and loans. Economic value changes in the investment portfolio are estimated by discounting future cash flows and using duration analysis. Investment security prepayments are estimated using current market information. We believe the simulation analysis presents a more accurate picture than the GAP analysis. Simulation analysis recognizes that deposit products may not react to changes in interest rates as quickly or with the same magnitude as earning assets contractually tied to a market rate index. The sensitivity to changes in market rates varies across deposit products. Also, unlike GAP analysis, simulation analysis takes into account the effect of embedded options in the securities and loan portfolios as well as any off-balance sheet derivatives.

The table below shows the estimated impact of a range of changes in interest rates on net interest income and on economic value of equity for the banking segment (dollars in thousands).

	Change in Interest Rates (basis points)	Changes in Net Interest Income		Changes in Economic Value of Equity	
		Amount	Percent	Amount	Percent
December 31, 2025					
	+200	$ 30,469	6.90 %	$ 166,983	8.96 %
	+100	$ 15,371	3.48 %	$ 93,199	5.00 %
	-50	$ (4,202)	(0.95)%	$ (71,006)	(3.81)%
	-100	$ (5,876)	(1.33)%	$ (159,611)	(8.56)%
	-200	$ (1,513)	(0.34)%	$ (391,594)	(21.01)%
December 31, 2024					
	+200	$ 47,270	11.49 %	$ 170,230	10.84 %
	+100	$ 24,101	5.86 %	$ 99,348	6.33 %
	-50	$ (11,409)	(2.77)%	$ (70,531)	(4.49)%
	-100	$ (21,983)	(5.34)%	$ (149,355)	(9.51)%
	-200	$ (28,730)	(6.99)%	$ (337,987)	(21.53)%

The projected changes in the table above were in compliance with established internal policy guidelines and are based on numerous assumptions. The timing and magnitude of future interest rate movements, along with changes to the balance sheet composition, may impact projected changes in net interest income. We continue to evaluate the interest rate risk position and may reposition the banking segment's balance sheet in the future to better align with management's target rate risk position.

Our portfolio includes loans that periodically reprice or mature prior to the end of an amortized term. Some of our variable-rate loans remain at applicable rate floors, which may delay and/or limit changes in interest income during a period of changing rates. If interest rates were to fall, the impact on our interest income would be limited by these rate floors. In addition, declining interest rates may negatively affect our cost of funds on deposits. The extent of this impact will ultimately be driven by the timing, magnitude and frequency of interest rate and yield curve movements, as well as changes in market conditions and timing of management strategies. If interest rates were to rise, yields on the portion of our portfolio that remain at applicable rate floors would rise more slowly than increases in market interest rates. Any changes in interest rates across the term structure will continue to impact net interest income and net interest margin. The impact of rate movements will change with the shape of the yield curve, including any changes in steepness or flatness and inversions at any points on the yield curve. Since the assumptions used relative to changes in interest rates are uncertain, the simulation analysis may not be indicative of actual results, particularly in times of stress and uncertainty. In addition, this analysis does not consider actions that management might employ in the future in response to changes in interest rates, as well as changes in earning asset and costing liability balances.

Broker-Dealer Segment

Our broker-dealer segment is exposed to market risk primarily due to its role as a financial intermediary in customer transactions, which may include purchases and sales of securities, use of derivatives and securities lending activities, and in our trading activities, which are used to support sales, underwriting and other customer activities. We are subject to the risk of loss that may result from the potential change in value of a financial instrument as a result of fluctuations in interest rates, market prices, investor expectations and changes in credit ratings of the issuer.

Our broker-dealer segment is exposed to interest rate risk as a result of maintaining inventories of interest rate sensitive financial instruments and other interest-earning assets including customer and correspondent margin loans and receivables and securities borrowing activities. Our funding sources, which include customer and correspondent cash balances, bank borrowings, repurchase agreements and securities lending activities, also expose the broker-dealer to interest rate risk. Movement in short-term interest rates could reduce the positive spread between the broker-dealer segment's interest income and interest expense.

With respect to securities held, our interest rate risk is managed by setting and monitoring limits on the size and duration of positions and on the length of time securities can be held. Much of the interest rates on customer and correspondent margin loans and receivables are indexed and can vary daily. Our funding sources are generally short-term with interest rates that can vary daily.

The following table categorizes the broker-dealer segment's net trading securities which are subject to interest rate and market price risk (dollars in thousands).

	December 31, 2025				
	1 Year or Less	> 1 Year to 5 Years	> 5 Years to 10 Years	> 10 Years	Total
Trading securities, at fair value					
Municipal obligations	$ 726	$ 22,664	$ 79,497	$ 192,728	$ 295,615
U.S. government and government agency obligations	2,275	(5,047)	(8,313)	229,960	218,875
Corporate obligations	13,396	5,485	10,360	13,901	43,142
Total debt securities	16,397	23,102	81,544	436,589	557,632
Corporate equity securities	—	—	—	—	—
Other	21,786	—	—	—	21,786
	$ 38,183	$ 23,102	$ 81,544	$ 436,589	$ 579,418
Weighted average yield					
Municipal obligations	5.76 %	5.40 %	3.26 %	5.21 %	4.70 %
U.S. government and government agency obligations	3.67 %	2.11 %	4.08 %	5.84 %	5.41 %
Corporate obligations	3.44 %	4.26 %	5.45 %	5.43 %	4.73 %

Derivatives are used to support certain customer programs and hedge our related exposure to interest rate risks.

Our broker-dealer segment is engaged in various brokerage and trading activities that expose us to credit risk arising from potential non-performance from counterparties, customers or issuers of securities. This risk is managed by setting and monitoring position limits for each counterparty, conducting periodic credit reviews of counterparties, reviewing concentrations of securities and conducting business through central clearing organizations.

Collateral underlying margin loans to customers and correspondents and with respect to securities lending activities is marked to market daily and additional collateral is required, as necessary.

Mortgage Origination Segment

Within our mortgage origination segment, our principal market exposure is to interest rate risk due to the impact on our mortgage-related assets and commitments, including mortgage loans held for sale, IRLCs and MSR. Changes in interest rates could also materially and adversely affect our volume of mortgage loan originations.

IRLCs represent an agreement to extend credit to a mortgage loan applicant, whereby the interest rate on the loan is set prior to funding. Our mortgage loans held for sale, which we hold in inventory while awaiting sale into the secondary market, and our IRLCs are subject to the effects of changes in mortgage interest rates from the date of the commitment through the sale of the loan into the secondary market. As a result, we are exposed to interest rate risk and related price risk during the period from the date of the lock commitment until (i) the lock commitment cancellation or expiration date or (ii) the date of sale into the secondary mortgage market. Loan commitments generally range from 20 to 60 days, and our average holding period of the mortgage loan from funding to sale is approximately 30 days. An integral component

of our interest rate risk management strategy is our execution of forward commitments to sell MBSs to minimize the impact on earnings resulting from significant fluctuations in the fair value of mortgage loans held for sale and IRLCs caused by changes in interest rates.

As a result of our mortgage servicing business, we have a portfolio of retained MSR. One of the principal risks associated with MSR is that in a declining interest rate environment, they will likely lose a substantial portion of their value as a result of higher than anticipated prepayments. Moreover, if prepayments are greater than expected, the cash we receive over the life of the mortgage loans would be reduced. The mortgage origination segment uses derivative financial instruments, including U.S. Treasury bond futures and options, and MBS commitments, as a means to mitigate market risk associated with MSR assets. No hedging strategy can protect us completely, and hedging strategies may fail because they are improperly designed, improperly executed and documented or based on inaccurate assumptions and, as a result, could actually increase our risks and losses. The MSR portfolio exposes us to interest rate risk and, correspondingly, the volatility of our earnings, especially if we cannot adequately hedge the interest rate risk relating to our MSR.

The goal of our interest rate risk management strategy within our mortgage origination segment is not to eliminate interest rate risk, but to manage it within appropriate limits. To mitigate the risk of loss, we have established policies and procedures, which include guidelines on the amount of exposure to interest rate changes we are willing to accept.

Consolidated

At December 31, 2025, total debt obligations on our consolidated balance sheet, excluding short-term borrowings and unamortized debt issuance costs and premiums, were $150 million, and was all subject to fixed interest rates. If interest rates were to increase by one eighth of one percent (0.125%), the increase in interest expense on the variable rate debt would not have a significant impact on our future consolidated earnings or cash flows. On January 15, 2025 and May 15, 2025 we redeemed our outstanding $150.0 million aggregate principal amount of Senior Notes and our outstanding $50.0 million aggregate principal amount of 2030 Subordinated Notes, respectively, using cash on hand.

As noted above within the discussion for each business segment, on a consolidated basis, our primary component of market risk is sensitivity to changes in interest rates. Consequently, and in large part due to the significance of our banking segment, our consolidated earnings depend to a significant extent on our net interest income. Refer to the discussion in the “Banking Segment” section above that provides more details regarding sources of interest rate risk and asset/liability management policies and procedures employed to manage our interest-earning assets and interest-bearing liabilities, and potential future repositioning of our GAP position, thereby attempting to control the volatility of net interest income, without having to incur unacceptable levels of risk.

The table below shows the estimated impact of a range of changes in interest rates on net interest income on a consolidated basis (dollars in thousands).

	Change in Interest Rates (basis points)	Changes in Net Interest Income	
		Amount	Percent
December 31, 2025			
	+200	$ 39,702	8.45 %
	+100	$ 19,958	4.25 %
	-50	$ (8,485)	(1.81)%
	-100	$ (16,910)	(3.60)%
	-200	$ (25,981)	(5.53)%
December 31, 2024			
	+200	$ 28,818	6.56 %
	+100	$ 13,560	3.09 %
	-50	$ (26,356)	(6.00)%
	-100	$ (46,457)	(10.58)%
	-200	$ (59,571)	(13.57)%

The projected changes in the table above were in compliance with established internal policy guidelines. These projected changes are based on numerous assumptions of growth and changes in the mix of assets or liabilities. The projected changes in net interest income are being impacted by the heightened level of cash balances, which represent a significant portion of our asset sensitivity given simulation analysis assumptions/limitations and may not necessarily reflect the

manner in which actual cash flows, yields and costs respond to changes in market interest rates. As a result, the timing and magnitude of future changes in interest rates including runoff of deposits, and related decline in cash, may impact projected changes in net interest income as noted in the table above.

Item 8. Financial Statements and Supplementary Data.

Our financial statements required by this item are submitted as a separate section of this Annual Report. See "Financial Statements," commencing on page F-1 hereof.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Our management, with the supervision and participation of our Principal Executive Officer and Principal Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2025, the end of the period covered by this Annual Report.

Based upon that evaluation, our Principal Executive Officer and Principal Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by us in the reports that we file or submit under the Exchange Act and are effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to the Company's management, including our Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, as a process designed by, or under the supervision of, our Principal Executive Officer and Principal Financial Officer and effected by our board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth in Internal Control—Integrated Framework (2013) issued

by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. This assessment included controls over the preparation of financial statements in accordance with the instructions for the Consolidated Financial Statements for Bank Holding Companies (Form FR Y-9C) to meet the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act. Based on our assessment, management concluded that, as of December 31, 2025, our internal control over financial reporting is effective.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, audited the effectiveness of our internal control over financial reporting as of December 31, 2025, and issued an unqualified opinion thereon as stated in their report, which appears on page F-2.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None of our directors or executive officers adopted, terminated or modified a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each defined in Item 408(a) of Regulation S-K) during the quarter ended December 31, 2025.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information called for by this Item is contained in our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders, and is incorporated herein by reference.

Item 11. Executive Compensation.

The information called for by this Item is contained in our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information called for by this Item is contained in our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information called for by this Item is contained in our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders, and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information called for by this Item is contained in our definitive Proxy Statement for our 2026 Annual Meeting of Stockholders, and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) The following documents are filed herewith as part of this Form 10-K.

1. Financial Statements.

	Page
Hilltop Holdings Inc.	
Report of Independent Registered Public Accounting Firm (PCAOB ID 238)	F-2
Consolidated Balance Sheets	F-5
Consolidated Statements of Operations	F-6
Consolidated Statements of Comprehensive Income (Loss)	F-7
Consolidated Statements of Stockholders' Equity	F-8
Consolidated Statements of Cash Flows	F-9
Notes to Consolidated Financial Statements	F-10

2. Financial Statement Schedules.

All financial statement schedules have been omitted because they are not required, not applicable or the information has been included in our consolidated financial statements.

3. Exhibits. See the Exhibit Index preceding the signature page hereto.

Item 16. Form 10-K Summary.

None.

Exhibit Number	Description of Exhibit
3.1	Articles of Amendment and Restatement of Affordable Residential Communities Inc., dated February 16, 2004, as amended or supplemented by: Articles Supplementary, dated February 16, 2004; Corporate Charter Certificate of Notice, dated June 6, 2005; Articles of Amendment, dated January 23, 2007; Articles of Amendment, dated July 31, 2007; Corporate Charter Certificate of Notice, dated September 23, 2008; Articles Supplementary, dated December 15, 2010; Articles Supplementary, dated as of November 29, 2012 relating to Subtitle 8 election; Articles Supplementary, dated November 29, 2012 relating to Non-Cumulative Perpetual Preferred Stock, Series B, of Hilltop Holdings Inc.; and Articles of Amendment and Restatement, dated March 31, 2014 (filed as Exhibit 3.1 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 (File No. 001-31987) and incorporated herein by reference).
3.2	Fourth Amended and Restated Bylaws of Hilltop Holdings Inc. (filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on October 25, 2023 (File No. 001-31987) and incorporated herein by reference).
4.1	Form of Certificate of Common Stock of Hilltop Holdings Inc. (filed as Exhibit 4.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 (File No. 001-31987) and incorporated herein by reference).
4.4	Indenture, dated as of November 22, 2019, by and between Hilltop Securities Inc. and The Bank of New York Mellon, as indenture trustee (filed as Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on November 27, 2019 (File No. 001-31987) and incorporated herein by reference).
4.5	Indenture, dated as of December 6, 2019, by and between Hilltop Securities Inc. and The Bank of New York Mellon, as indenture trustee (filed as Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed on December 11, 2019 (File No. 001-31987) and incorporated herein by reference).
4.6.1	Indenture, dated as of May 11, 2020, between Hilltop Holdings Inc., as Issuer, and U.S. Bank National Association, as Trustee (filed as Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed May 13, 2020 (File No. 001-31987) and incorporated herein by reference).
4.6.3	Second Supplemental Indenture, dated as of May 11, 2020, between Hilltop Holdings Inc., as Issuer, and U.S. Bank National Association, as Trustee (filed as Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed May 13, 2020 (File No. 001-31987) and incorporated herein by reference).
4.7	Description of the Registrant's Securities (filed as Exhibit 4.10 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020 filed on February 17, 2021 (File No. 001-31987) and incorporated herein by reference).
4.8	Indenture, dated as of September 25, 2024, by and between Hilltop Securities Inc. and The Bank of New York Mellon, as indenture trustee (filed as Exhibit 4.8 to the Registrant's Current Report on Form 8-K filed January 23, 2025 (File No. 001-31987) and incorporated herein by reference).
10.1.1†	Hilltop Holdings Inc. 2020 Equity Incentive Plan (filed as Exhibit 99.1 to the Registrant's Registration Statement on Form S-8 filed July 24, 2020 (File No. 333-240090) and incorporated herein by reference).
10.1.2†	Form of Restricted Stock Unit Award Agreement (Performance-Based) for awards beginning in 2020 (filed as Exhibit 99.3 to the Registrant's Registration Statement on Form S-8 filed July 24, 2020 (File No. 333-240090) and incorporated herein by reference).
10.1.3†	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting for Section 16 Officers) for awards beginning in 2020 (filed as Exhibit 99.4 to the Registrant's Registration Statement on Form S-8 filed July 24, 2020 (File No. 333-240090) and incorporated herein by reference).

10.1.4† Form of Restricted Stock Unit Award Agreement (Time-Based Vesting for Non-Section 16 Officers) for awards beginning in 2020 (filed as Exhibit 99.5 to the Registrant's Registration Statement on Form S-8 filed July 24, 2020 (File No. 333-240090) and incorporated herein by reference).

10.1.5† Form of Restricted Stock Unit Award Agreement (Performance-Based) for awards beginning in 2021 (filed as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed on April 26, 2021 (File No. 001-31987) and incorporated herein by reference).

10.1.6† Form of Restricted Stock Unit Award Agreement (Time-Based Vesting for Section 16 Officers) for awards beginning in 2021 (filed as Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed on April 26, 2021 (File No. 001-31987) and incorporated herein by reference).

10.1.7† Form of Restricted Stock Unit Award Agreement (Time-Based Vesting for Non-Section 16 Officers) for awards beginning in 2021 (filed as Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q filed on April 26, 2021 (File No. 001-31987) and incorporated herein by reference).

10.2.1† Hilltop Holdings Inc. Employee Stock Purchase Plan (filed as Exhibit 99.2 to the Registrant's Registration Statement on Form S-8 filed July 24, 2020 (File No. 333-240090) and incorporated herein by reference).

10.2.2† First Amendment to Hilltop Holdings Inc Employee Stock Purchase Plan (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed July 22, 2022 (File No. 001-31987) and incorporated herein by reference).

10.3† Hilltop Holdings Inc. Annual Incentive Plan, effective September 20, 2012 (filed as Exhibit 10.19 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012 filed on March 15, 2013 (File No. 001-31987) and incorporated herein by reference).

10.4† Compensation arrangement of Jeremy B. Ford (filed as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed on April 26, 2021 (File No. 001-31987) and incorporated herein by reference).

10.5.1† Employment Agreement, dated as of September 1, 2016, by and between William Furr and Hilltop Holdings Inc. (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K/A (Amendment No. 1) filed on September 7, 2016 (File No. 001-31987) and incorporated herein by reference).

10.5.2† First Amendment to Employment Agreement by and between Hilltop Holdings Inc. and William B. Furr, dated as of August 30, 2019 (filed as Exhibit 10.7.2 to the Registrant's Current Report on Form 8-K filed September 6, 2019 (File No. 001-31987) and incorporated herein by reference).

10.5.3† Second Amendment to Employment Agreement by and between Hilltop Holdings Inc. and William B. Furr dated as of August 30, 2022 (filed as Exhibit 10.7.3 to the Registrant's Current Report as Form 8-K filed August 31, 2022 (file No. 001-31987) and incorporated herein by reference).

10.5.4† Third Amendment to Employment Agreement by and between Hilltop Holdings Inc. and William B. Furr, dated December 8, 2025, but effective as of August 30, 2025 (filed as Exhibit 10.6.4 to the Registrant's Current Report as Form 8-K filed December 9, 2025 (file No. 001-31987) and incorporated herein by reference).

10.6.1† Employment Agreement, dated as of November 20, 2018, by and between Hilltop Holdings Inc. and Martin B. Winges (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on December 12, 2018 (File No. 001-31987) and incorporated herein by reference).

10.6.2† First Amendment to Employment Agreement by and between Hilltop Holdings Inc. and M. Bradley Winges, dated as of March 31, 2022, but effective February 19, 2022 (filed as Exhibit 10.7.2 to the Registrant's Current Report on Form 8-K filed April 5, 2022 (File No. 001-31987) and incorporated herein by reference).

10.6.3† Second Amendment to Employment Agreement by and between Hilltop Holdings Inc. and Martin B. Winges, dated April 25, 2025, but effective as of February 19, 2025 (filed as Exhibit 10.7.3 to the Registrant's Current Report on Form 8-K filed April 25, 2025 (File No. 001-31987) and incorporated herein by reference).

10.7.1† Employment Agreement by and between Hilltop Holdings Inc. and Steve Thompson, dated as of October 25, 2019, but effective January 1, 2020 (filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed October 30, 2019 (File No. 001-31987) and incorporated herein by reference).

10.7.2† First Amendment to Employment Agreement by and between Hilltop Holdings Inc. and Steve Thompson, dated as of December 30, 2022 (filed as Exhibit 10.8.2 to the Registrant's Current Report on Form 8-K filed January 4, 2023 (File No. 001-31987) and incorporated herein by reference).

10.7.3† Second Amendment to Employment Agreement by and between Hilltop Holdings Inc. and Steve Thompson, dated February 2, 2026, but effective as of December 31, 2025 (filed as Exhibit 10.7.3 to the Registrant's Current Report on Form 8-K filed February 5, 2026 (File No. 001-31987) and incorporated herein by reference).

10.8† Limited Liability Company Agreement of HTH Diamond Hillcrest Land LLC, dated as of July 31, 2018 (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on August 6, 2018 (File No. 001-31987) and incorporated herein by reference).

10.9† Ground Lease Agreement by and among HTH Diamond Hillcrest Land LLC, as Ground Lessor, and SPC Park Plaza Partners LLC, HTH Hillcrest Project LLC and Diamond Hillcrest LLC, as Ground Lessees, dated as of July 31, 2018 (filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on August 6, 2018 (File No. 001-31987) and incorporated herein by reference).

10.10† Hilltop Plaza Co-Owners Agreement, by and among Diamond Hillcrest, LLC, HTH Hillcrest Project LLC and SPC Park Plaza Partners, LLC, dated as of July 31, 2018 (filed as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed on August 6, 2018 (File No. 001-31987) and incorporated herein by reference).

10.10.1† First Amendment to Hilltop Plaza Co-Owners Agreement, by and among Diamond Hillcrest, LLC, HTH Hillcrest Project LLC and SPC Park Plaza Partners, LLC, dated as of December 31, 2021 (filed as Exhibit 10.11.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 15, 2022 (File No. 001-31987) and incorporated herein by reference).

10.11† Office Lease between SPC Park Plaza Partners, LLC, Diamond Hillcrest, LLC, and HTH Hillcrest Project LLC, as Co-Owners, and Hilltop Holdings Inc., as Tenant, dated July 31, 2018 (filed as Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed on August 6, 2018 (File No. 001-31987) and incorporated herein by reference).

10.11.1† First Amendment to Office Lease between SPC Park Plaza Partners, LLC, Diamond Hillcrest, LLC, and HTH Hillcrest Project LLC, as Co-Owners, and Hilltop Holdings Inc., as Tenant, dated as of November 30, 2021, but effective as of June 29, 2019 (filed as Exhibit 10.12.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 15, 2022 (File No. 001-31987) and incorporated herein by reference).

10.12†	Retail Lease between SPC Park Plaza Partners, LLC, Diamond Hillcrest, LLC, and HTH Hillcrest Project LLC, as Co-Owners, and PlainsCapital Bank, as Tenant, dated July 31, 2018 (filed as Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed on August 6, 2018 (File No. 001-31987) and incorporated herein by reference).
10.12.1†	First Amendment to Retail Lease between SPC Park Plaza Partners, LLC, Diamond Hillcrest, LLC, and HTH Hillcrest Project LLC, as Co-Owners, and PlainsCapital Bank, as Tenant, dated as of December 16, 2021, but effective as of August 1, 2019 (filed as Exhibit 10.13.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 15, 2022 (File No. 001-31987) and incorporated herein by reference).
19.1*	Insider Trading Policy.
21.1*	List of subsidiaries of the Registrant.
23.1*	Consent of PricewaterhouseCoopers LLP.
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
32.1**	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Incentive Compensation Clawback Policy (filed as Exhibit 97 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2024 filed on February 14, 2025 (File No. 001-31987) and incorporated herein by reference).
101.INS*	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Furnished herewith.
† Exhibit is a management contract or compensatory plan or arrangement.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HILLTOP HOLDINGS INC.

Date: February 13, 2026

By:/s/ William B. Furr
William B. Furr
Chief Financial Officer
(Principal Financial Officer and duly authorized officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Capacity in which Signed	Date
/s/ Jeremy B. Ford Jeremy B. Ford	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	February 13, 2026
/s/ William B. Furr William B. Furr	Chief Financial Officer (Principal Financial Officer)	February 13, 2026
/s/ Keith E. Bornemann Keith E. Bornemann	Executive Vice President, Chief Accounting Officer (Principal Accounting Officer)	February 13, 2026
/s/ Rhodes Bobbitt Rhodes Bobbitt	Director	February 13, 2026
/s/ J. Taylor Crandall J. Taylor Crandall	Lead Independent Director	February 13, 2026
/s/ Hill A. Feinberg Hill A. Feinberg	Director	February 13, 2026
_____ Lee Lewis	Director	
/s/ W. Robert Nichols, III W. Robert Nichols, III	Director	February 13, 2026
/s/ Thomas C. Nichols Thomas C. Nichols	Director	February 13, 2026
/s/ Kenneth D. Russell Kenneth D. Russell	Director	February 13, 2026
/s/ Jonathan S. Sobel Jonathan S. Sobel	Director	February 13, 2026
/s/ Robert Taylor, Jr. Robert Taylor, Jr.	Director	February 13, 2026
/s/ Carl B. Webb Carl B. Webb	Director	February 13, 2026

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Hilltop Holdings Inc.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Hilltop Holdings Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Hilltop Holdings Inc. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of operations, of comprehensive income, of stockholders' equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Management's assessment and our audit of Hilltop Holdings Inc.'s internal control over financial reporting also included controls over the preparation of financial statements in accordance with the

instructions to the Consolidated Financial Statements for Bank Holding Companies (Form FR Y-9C) to comply with the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act (FDICIA). A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

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

Allowance for Credit Losses for Loans Held for Investment – Collectively Evaluated

As described in Notes 1 and 6 to the consolidated financial statements, the Company's allowance for credit losses for loans held for investment was $91.5 million as of December 31, 2025. Management's allowance for credit losses for collectively evaluated loans is an estimate of expected losses over the lifetime of a loan within the Company's existing loans held for investment portfolio and is based on historical experience, current conditions and reasonable and supportable forecasts. The credit loss estimation process considers the characteristics of the Company's loan portfolio segments, which are further disaggregated into loan classes, the level at which credit risk is monitored. The allowance for credit losses for collectively evaluated loans is calculated using statistical credit factors, including probabilities of default ("PD") and loss given default ("LGD"), to the amortized cost of pools of loan exposures with similar risk characteristics over its contractual life, adjusted for prepayments, to arrive at an estimate of expected credit losses. As described by management, one of the most significant judgments involved in estimating the Company's allowance for credit losses relates to the macroeconomic forecasts used to estimate credit losses over the reasonable and supportable forecast period. Management utilizes a single macroeconomic scenario published by a third-party that reflects the U.S. economic outlook. This scenario utilizes multiple economic variables in forecasting the economic outlook. Significant variables that impact the modeled losses across the Company's loan portfolios are the U.S. Real Gross Domestic Product (GDP) growth rates and unemployment rate assumptions. Management also considers adjustments for certain conditions in the Company's allowance for credit losses estimate qualitatively where they have not been measured directly in management's collective assessments.

The principal considerations for our determination that performing procedures relating to the allowance for credit losses for collectively evaluated loans held for investment is a critical audit matter are (i) the significant judgment by management in estimating the allowance for credit losses, which in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence relating to management's determination of the impact of GDP growth rate and unemployment rate forecasts within the macroeconomic scenario, as well as qualitative adjustments to the allowance for credit losses; and (ii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the allowance for credit losses for collectively evaluated loans held for investment, which included controls over evaluation and selection of the variables used in the macroeconomic scenario as well as qualitative adjustments. These procedures also included, among others, the involvement of professionals with specialized skill and knowledge to assist in testing management's process for estimating the allowance for credit losses, which included (i) evaluating the appropriateness of the methodology and models, (ii) testing the completeness and accuracy of certain data used in the estimate, (iii) evaluating the reasonableness of management's determination of the impact of GDP growth rate and unemployment rate forecasts within the macroeconomic scenario and (iv) evaluating the reasonableness of qualitative adjustments to the allowance for credit losses.

/s/ PricewaterhouseCoopers LLP

Dallas, Texas
February 13, 2026
We have served as the Company's auditor since 1998.

HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	December 31,	
	2025	**2024**
Assets		
Cash and due from banks	$ 1,231,944	$ 2,298,977
Federal funds sold	650	650
Assets segregated for regulatory purposes	20,211	70,963
Securities purchased under agreements to resell	55,977	88,728
Securities:		
Trading, at fair value	617,408	524,916
Available for sale, at fair value, net (amortized cost of $1,554,096 and $1,498,415, respectively)	1,491,048	1,396,549
Held to maturity, at amortized cost, net (fair value of $674,890 and $649,872, respectively)	728,329	737,899
Equity, at fair value	265	297
	2,837,050	2,659,661
Loans held for sale	950,142	858,665
Loans held for investment, net of unearned income	8,311,952	7,950,551
Allowance for credit losses	(91,537)	(101,116)
Loans held for investment, net	8,220,415	7,849,435
Broker-dealer and clearing organization receivables	1,588,882	1,452,366
Premises and equipment, net	132,820	148,245
Operating lease right-of-use assets	83,757	90,563
Mortgage servicing rights	17,491	5,723
Other assets	432,603	470,073
Goodwill	267,447	267,447
Other intangible assets, net	5,605	6,633
Total assets	$ 15,844,994	$ 16,268,129
Liabilities and Stockholders' Equity		
Deposits:		
Noninterest-bearing	$ 2,831,919	$ 2,768,707
Interest-bearing	8,046,161	8,296,615
Total deposits	10,878,080	11,065,322
Broker-dealer and clearing organization payables	1,518,503	1,331,902
Short-term borrowings	676,882	834,023
Securities sold, not yet purchased, at fair value	37,955	57,234
Notes payable	148,587	347,667
Operating lease liabilities	100,155	109,103
Other liabilities	287,226	304,566
Total liabilities	13,647,388	14,049,817
Commitments and contingencies (see Notes 18 and 19)		
Stockholders' equity:		
Hilltop stockholders' equity:		
Common stock, $0.01 par value, 125,000,000 shares authorized; 59,540,484 and 64,967,984 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	595	650
Additional paid-in capital	973,072	1,052,219
Accumulated other comprehensive loss	(79,877)	(111,497)
Retained earnings	1,274,611	1,248,593
Total Hilltop stockholders' equity	2,168,401	2,189,965
Noncontrolling interests	29,205	28,347
Total stockholders' equity	2,197,606	2,218,312
Total liabilities and stockholders' equity	$ 15,844,994	$ 16,268,129

See accompanying notes.

HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year Ended December 31,		
	2025	**2024**	**2023**
Interest income:			
Loans, including fees	$ 525,804	$ 544,505	$ 542,274
Securities borrowed	75,281	77,785	71,924
Securities:			
Taxable	101,133	107,007	108,250
Tax-exempt	12,721	10,186	10,763
Other	69,111	96,906	105,164
Total interest income	784,050	836,389	838,375
Interest expense:			
Deposits	228,275	275,291	223,179
Securities loaned	67,848	72,614	65,175
Short-term borrowings	31,301	44,134	57,857
Notes payable	11,480	14,659	15,448
Other	4,440	11,893	9,869
Total interest expense	343,344	418,591	371,528
Net interest income	440,706	417,798	466,847
Provision for (reversal of) credit losses	7,311	941	18,392
Net interest income after provision for (reversal of) credit losses	433,395	416,857	448,455
Noninterest income:			
Net gains from sale of loans and other mortgage production income	198,536	190,021	172,150
Mortgage loan origination fees	102,641	123,066	144,539
Principal transactions, commissions and fees	253,269	250,579	218,940
Investment banking, advisory and administrative fees	181,334	142,952	134,327
Other	105,361	64,338	59,017
Total noninterest income	841,141	770,956	728,973
Noninterest expense:			
Employees' compensation and benefits	730,637	687,149	678,310
Occupancy and equipment, net	81,594	91,233	89,326
Professional services	40,001	44,437	49,100
Other	201,241	210,737	211,573
Total noninterest expense	1,053,473	1,033,556	1,028,309
Income before income taxes	221,063	154,257	149,119
Income tax expense	49,044	31,047	31,140
Net income	172,019	123,210	117,979
Less: Net income attributable to noncontrolling interest	6,428	9,997	8,333
Income attributable to Hilltop	$ 165,591	$ 113,213	$ 109,646
Earnings per common share:			
Basic	$ 2.64	$ 1.74	$ 1.69
Diluted	$ 2.64	$ 1.74	$ 1.69
Weighted average share information:			
Basic	62,700	65,036	65,043
Diluted	62,709	65,046	65,045

See accompanying notes.

HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Net income	$ 172,019	$ 123,210	$ 117,979
Other comprehensive income (loss):			
Change in fair value of cash flow hedges, net taxes of $(1,242), $(1,742), and $(1,734), respectively	(4,256)	(5,746)	(5,691)
Net unrealized gains (losses) on securities available-for-sale, net taxes of $8,852, $3,113, and $3,762, respectively	30,795	9,024	11,872
Reclassification adjustment for gains (losses) included in net income, net taxes of $0, $34, and $1, respectively	—	114	4
Amortization of unrealized losses on securities transferred from available-for-sale to held-maturity, net of tax $1,665, $1,988 and $1,755, respectively	5,081	6,616	5,841
Comprehensive income	203,639	133,218	130,005
Less: comprehensive income attributable to noncontrolling interest	6,428	9,997	8,333
Comprehensive income applicable to Hilltop	$ 197,211	$ 123,221	$ 121,672

See accompanying notes.

HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Retained	Deferred Compensation Employee Stock	Employee Stock Trust		Total Hilltop Stockholders'	Noncontrolling	Total Stockholders'
	Shares	Amount	Capital	Loss	Earnings	Trust, Net	Shares	Amount	Equity	Interest	Equity
Balance, December 31, 2022	64,685	$ 647	$ 1,046,331	$ (133,531)	$ 1,123,636	$ 481	23	$ (640)	$ 2,036,924	$ 26,605	$ 2,063,529
Net income	—	—	—	—	109,646	—	—	—	109,646	8,333	117,979
Other comprehensive income	—	—	—	12,026	—	—	—	—	12,026	—	12,026
Stock-based compensation expense	—	—	14,967	—	—	—	—	—	14,967	—	14,967
Common stock issued to board members	17	—	548	—	—	—	—	—	548	—	548
Issuance of common stock related to share-based awards, net	616	7	(4,542)	—	—	—	—	—	(4,535)	—	(4,535)
Repurchases of common stock	(165)	(2)	(2,642)	—	(2,456)	—	—	—	(5,100)	—	(5,100)
Dividends on common stock ($0.64 per share)	—	—	—	—	(41,604)	—	—	—	(41,604)	—	(41,604)
Deferred compensation plan	—	—	—	—	—	(253)	(13)	348	95	—	95
Net cash distributed to noncontrolling interest	—	—	—	—	—	—	—	—	—	(7,576)	(7,576)
Balance, December 31, 2023	65,153	$ 652	$ 1,054,662	$ (121,505)	$ 1,189,222	$ 228	10	$ (292)	$ 2,122,967	$ 27,362	$ 2,150,329
Net income	—	—	—	—	113,213	—	—	—	113,213	9,997	123,210
Other comprehensive income	—	—	—	10,008	—	—	—	—	10,008	—	10,008
Stock-based compensation expense	—	—	10,192	—	—	—	—	—	10,192	—	10,192
Common stock issued to board members	16	—	483	—	—	—	—	—	483	—	483
Issuance of common stock related to share-based awards, net	439	4	(2,845)	—	—	—	—	—	(2,841)	—	(2,841)
Repurchases of common stock	(640)	(6)	(10,273)	—	(9,585)	—	—	—	(19,864)	—	(19,864)
Dividends on common stock ($0.68 per share)	—	—	—	—	(44,257)	—	—	—	(44,257)	—	(44,257)
Deferred compensation plan	—	—	—	—	—	(228)	(10)	292	64	—	64
Net cash distributed to noncontrolling interest	—	—	—	—	—	—	—	—	—	(9,012)	(9,012)
Balance, December 31, 2024	64,968	$ 650	$ 1,052,219	$ (111,497)	$ 1,248,593	$ —	—	$ —	$ 2,189,965	$ 28,347	$ 2,218,312
Net income	—	—	—	—	165,591	—	—	—	165,591	6,428	172,019
Other comprehensive income	—	—	—	31,620	—	—	—	—	31,620	—	31,620
Stock-based compensation expense	—	—	14,088	—	—	—	—	—	14,088	—	14,088
Common stock issued to board members	21	—	650	—	—	—	—	—	650	—	650
Issuance of common stock related to share-based awards, net	257	3	(2,315)	—	—	—	—	—	(2,312)	—	(2,312)
Repurchases of common stock	(5,706)	(58)	(91,570)	—	(94,172)	—	—	—	(185,800)	—	(185,800)
Dividends on common stock ($0.72 per share)	—	—	—	—	(45,401)	—	—	—	(45,401)	—	(45,401)
Net cash distributed to noncontrolling interest	—	—	—	—	—	—	—	—	—	(5,570)	(5,570)
Balance, December 31, 2025	59,540	$ 595	$ 973,072	$ (79,877)	$ 1,274,611	$ —	—	$ —	$ 2,168,401	$ 29,205	$ 2,197,606

See accompanying notes.

HILLTOP HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Operating Activities			
Net income	$ 172,019	$ 123,210	$ 117,979
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Provision for (reversal of) credit losses	7,311	941	18,392
Depreciation, amortization and accretion, net	15,710	19,948	19,630
Equity in earnings of merchant banking subsidiaries	(46,679)	(9,161)	(9,062)
Deferred income taxes	5,440	(19,535)	7,004
Other, net	14,324	4,114	14,185
Net change in securities purchased under agreements to resell	32,751	(8,717)	38,059
Net change in trading securities	34,495	25,288	239,041
Net change in broker-dealer and clearing organization receivables	(117,331)	102,019	(448,825)
Net change in other assets	1,605	42,195	25,016
Net change in broker-dealer and clearing organization payables	118,645	(64,509)	413,622
Net change in other liabilities	(33,695)	(10,886)	(2,942)
Net change in securities sold, not yet purchased	(19,279)	22,362	(18,151)
Proceeds from sale of mortgage servicing rights asset	—	87,268	19,055
Change in valuation of mortgage servicing rights asset	2,203	15,083	12,467
Net gains from sales of loans	(198,536)	(190,021)	(172,150)
Loans originated for sale	(10,195,491)	(10,007,122)	(9,485,477)
Proceeds from loans sold	10,167,812	10,141,455	9,655,180
Net cash provided by (used in) operating activities	(38,696)	273,932	443,023
Investing Activities			
Proceeds from maturities and principal reductions of securities held to maturity	115,120	81,969	68,882
Proceeds from sales, maturities and principal reductions of securities available for sale	254,103	235,722	249,520
Proceeds from sales of equity securities	6,549	12,663	—
Purchases of securities held to maturity	(100,017)	—	—
Purchases of securities available for sale	(295,251)	(116,117)	(65,165)
Purchases of equity securities	—	(1,475)	(19,914)
Net change in loans held for investment	(401,695)	110,916	(71,419)
Purchases of premises and equipment and other assets	(16,834)	(7,131)	(8,488)
Proceeds from sales and distributions of premises and equipment and other assets	74,911	7,646	4,260
Proceeds from sale of loans held for sale transferred from loans held for investment	—	30,103	—
Net cash paid to Federal Home Loan Bank and Federal Reserve Bank stock	(1,732)	(75)	662
Net cash provided by (used in) investing activities	(364,846)	354,221	158,338
Financing Activities			
Net change in deposits	(119,286)	(32,193)	(201,915)
Net change in short-term borrowings	(183,872)	(93,157)	(70,929)
Proceeds from long-term borrowings	1,073,963	918,713	490,151
Payments on long-term borrowings	(1,247,123)	(890,886)	(490,151)
Payments to repurchase common stock	(184,032)	(19,864)	(5,100)
Dividends paid on common stock	(45,401)	(44,257)	(41,604)
Net cash distributed to noncontrolling interest	(5,570)	(9,012)	(7,576)
Other, net	(2,922)	(3,652)	(5,391)
Net cash used in financing activities	(714,243)	(174,308)	(332,515)
Net change in cash, cash equivalents and restricted cash	(1,117,785)	453,845	268,846
Cash, cash equivalents and restricted cash, beginning of year	2,370,590	1,916,745	1,647,899
Cash, cash equivalents and restricted cash, end of year	$ 1,252,805	$ 2,370,590	$ 1,916,745
Reconciliation of Cash, Cash Equivalents and Restricted Cash to Consolidated Balance Sheets			
Cash and due from banks	$ 1,231,944	$ 2,298,977	$ 1,858,700
Federal funds sold	650	650	650
Assets segregated for regulatory purposes	20,211	70,963	57,395
Total cash, cash equivalents and restricted cash	$ 1,252,805	$ 2,370,590	$ 1,916,745
Supplemental Disclosures of Cash Flow Information			
Cash paid for interest	$ 347,088	$ 426,777	$ 357,403
Cash paid for income taxes, net of refunds	$ 61,075	$ 44,228	$ 19,060
Supplemental Schedule of Non-Cash Activities			
Conversion of loans to other real estate owned	$ 7,604	$ 3,001	$ 5,638
Additions to mortgage servicing rights	$ 13,971	$ 11,412	$ 27,359
Non-cash distributions from merchant banking investments	$ 11,498	$ —	$ —

See accompanying notes.

1. Summary of Significant Accounting and Reporting Policies

Nature of Operations

Hilltop Holdings Inc. ("Hilltop" and, collectively with its subsidiaries, the "Company") is a financial holding company registered under the Bank Holding Company Act of 1956. The Company's primary line of business is to provide business and consumer banking services from offices located throughout Texas through PlainsCapital Bank (the "Bank"). In addition, the Company provides an array of financial products and services through its broker-dealer and mortgage origination subsidiaries.

The Company, headquartered in Dallas, Texas, provides its products and services through two primary business units, PlainsCapital Corporation ("PCC") and Hilltop Securities Holdings LLC ("Securities Holdings"). PCC is a financial holding company, that provides, through its subsidiaries, traditional banking, wealth and investment management and treasury management services primarily in Texas and residential mortgage lending throughout the United States. Securities Holdings is a holding company that provides, through its subsidiaries, investment banking and other related financial services, including municipal advisory, sales, trading and underwriting of taxable and tax-exempt fixed income securities, clearing, securities lending, structured finance and retail brokerage services throughout the United States.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP"), and in conformity with the rules and regulations of the Securities and Exchange Commission ("SEC").

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates regarding the allowance for credit losses, the fair values of financial instruments, and the potential impairment of goodwill and identifiable intangible assets are particularly subject to change. The Company has applied its critical accounting policies and estimation methods consistently in all periods presented in these consolidated financial statements. Actual amounts and values as of the balance sheet dates may be materially different than the amounts and values reported due to the inherent uncertainty in the estimation process. Also, future amounts and values could differ materially from those estimates due to changes in values and circumstances after the balance sheet date.

Hilltop owns 100% of the outstanding stock of PCC. PCC owns 100% of the outstanding stock of the Bank and 100% of the membership interest in Hilltop Opportunity Partners LLC, a merchant bank utilized to facilitate investments in companies engaged in non-financial activities. The Bank owns 100% of the outstanding stock of PrimeLending, a PlainsCapital Company ("PrimeLending").

PrimeLending owns a 100% membership interest in PrimeLending Ventures Management, LLC ("Ventures Management"), which holds a controlling ownership interest in and is the managing member of certain affiliated business arrangements ("ABAs").

Hilltop has a 100% membership interest in Securities Holdings, which operates through its wholly-owned subsidiaries, Hilltop Securities Inc. ("Hilltop Securities"), Momentum Independent Network Inc. ("Momentum Independent Network" and collectively with Hilltop Securities, the "Hilltop Broker-Dealers") and Hilltop Securities Asset Management, LLC. Hilltop Securities is a broker-dealer registered with the SEC and Financial Industry Regulatory Authority, Inc. ("FINRA") and a member of the New York Stock Exchange ("NYSE"). Momentum Independent Network is an introducing broker-dealer that is also registered with the SEC and FINRA. Hilltop Securities and Momentum Independent Network are both registered with the Commodity Futures Trading Commission as non-guaranteed introducing brokers and as members of the National Futures Association. Additionally, Hilltop Securities, Momentum Independent Network and Hilltop Securities Asset Management, LLC are registered investment advisers under the Investment Advisers Act of 1940.

In addition, Hilltop owns 100% of the membership interest in each of HTH Hillcrest Project LLC ("HTH Project LLC") and Hilltop Investments I, LLC. Hilltop Investments I, LLC owns 50% of the membership interest in HTH Diamond Hillcrest Land LLC ("Hillcrest Land LLC") which is consolidated under the requirements of the Variable Interest Entities ("VIE") Subsections of the Financial accounting standards Board ("FASB") Accounting standard codification ("ASC"). These entities are related to the Hilltop Plaza investment discussed in detail in Note 17 to the consolidated financial statements and are collectively referred to as the "Hilltop Plaza Entities."

The consolidated financial statements include the accounts of the above-named entities. Intercompany transactions and balances have been eliminated. Noncontrolling interests have been recorded for minority ownership in entities that are not wholly owned and are presented in compliance with the provisions of Noncontrolling Interest in Subsidiary Subsections of the ASC.

During 2025, certain financial statement line items within the noninterest income section of the consolidated income statement were reclassified to better align disclosures to business activities. Securities commissions and fees was changed to principal transactions, commissions and fees and investment and securities advisory fees and commissions was changed to investment banking, advisory and administrative fees to better describe the underlying activities within these financial statement line items. Additionally, income from principal transactions that was historically presented in other noninterest income was reclassified to principal transactions, commissions and fees. These reclassifications were applied retrospectively to all prior periods presented. Total noninterest income did not change as a result of these reclassifications. Certain other reclassifications have been made to the prior period consolidated financial statements to conform with current period presentation. In preparing these consolidated financial statements, subsequent events were evaluated through the time the financial statements were issued. Financial statements are considered issued when they are widely distributed to all stockholders and other financial statement users, or filed with the SEC.

Acquisition Accounting

Acquisitions are accounted for under the acquisition method of accounting. Purchased assets, including identifiable intangible assets, and assumed liabilities are recorded at their respective acquisition date fair values. If the fair value of net assets purchased exceeds the consideration given, a bargain purchase gain is recognized. If the consideration given exceeds the fair value of the net assets received, goodwill is recognized.

Securities Purchased Under Agreements to Resell

Securities purchased under agreements to resell (reverse repurchase agreements or reverse repos) are treated as collateralized financings and are carried at the amounts at which the securities will subsequently be resold as specified in the agreements. The Company is in possession of collateral with a fair value equal to or in excess of the contract amounts.

Securities

Management classifies securities at the time of purchase and reassesses such designation at each balance sheet date. Securities held for resale to facilitate principal transactions with customers are classified as trading and are carried at fair value, with changes in fair value reflected in the consolidated statements of operations. The Company reports interest income on trading securities as interest income on securities and other changes in fair value as other noninterest income.

Securities are classified as held to maturity and carried at amortized cost when management has the positive intent and ability to hold them until maturity. Debt securities held but not intended to be held to maturity or on a long-term basis are classified as available for sale. Securities included in this category are those that management intends to use as part of its asset/liability management strategy and that may be sold in response to changes in interest rates, prepayment risk or other factors related to interest rate and prepayment risk. Debt securities available for sale are carried at fair value. Unrealized holding gains and losses on debt securities available for sale, net of taxes, are reported in other comprehensive income (loss) until realized. Premiums and discounts are recognized in interest income using the effective interest method and reflect any optionality that may be embedded in the security.

Equity securities are carried at fair value, with changes in fair value reflected in the consolidated statements of operations. Equity securities that do not have readily determinable fair values are initially recorded at cost and subsequently remeasured when there is (i) an observable transaction involving the same investment, (ii) an observable transaction involving a similar investment from the same issuer or (iii) an impairment. These remeasurements are reflected in the consolidated statements of operations.

Allowance for Credit Losses on Available for Sale and Held to Maturity Securities

Available for sale debt securities in unrealized loss positions are evaluated for impairment related to credit losses at least quarterly. For available for sale debt securities, a decline in fair value due to credit loss results in recording an allowance for credit losses to the extent the fair value is less than the amortized cost basis. Declines in fair value that have not been recorded through an allowance for credit losses, such as declines due to changes in market interest rates, are recorded through other comprehensive income, net of applicable taxes.

Allowances for credit losses may result from credit deterioration of the issuer or the collateral underlying the security. In performing an assessment of whether any decline in fair value is due to a credit loss, all relevant information is considered at the individual security level. In assessing whether a credit loss exists, the Company compares the present value of cash flows expected to be collected from the security with the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis for the security, a credit loss exists and an allowance for credit losses is recorded, limited to the amount by which the fair value is less than the amortized cost basis.

If the Company intends to sell a debt security, or it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis, the debt security is written down to its fair value and the write down is charged against the allowance for credit losses, with any incremental impairment reported in earnings. Reversals of the allowance for credit losses are permitted and should not exceed the allowance amount initially recognized.

For debt securities held to maturity, estimated expected credit losses are calculated in a manner like that used for loans held for investment. That is, the historical lifetime probability of default and severity of loss in the event of default is derived or obtained from external sources and adjusted for the expected effects of reasonable and supportable forecasts over the expected lives of the securities on those historical credit losses. With respect to certain classes of debt securities, primarily U.S. Treasuries, the Company considers the history of credit losses, current conditions and reasonable and supportable forecasts, which may indicate that the expectation that nonpayment of the amortized cost basis is or continues to be zero, even if the U.S. government were to technically default. Therefore, the Company has not recorded expected credit losses for those securities.

Loans Held for Sale

Loans held for sale consist primarily of single-family residential mortgages funded through PrimeLending. These loans are generally on the consolidated balance sheet between 30 and 45 days. Substantially all mortgage loans originated by PrimeLending are sold to various investors in the secondary market, both with servicing retained and servicing released. Mortgage loans held for sale are carried at fair value in accordance with the provisions of the Fair Value Option Subsections of the ASC (the “Fair Value Option”). Changes in the fair value of the loans held for sale are recognized in earnings and fees and costs associated with origination are recognized as incurred. The specific identification method is used to determine realized gains and losses on sales of loans, which are reported as net gains (losses) in noninterest income. Loans sold are subject to certain indemnification provisions with investors, including the repurchase of loans sold and repayment of certain sales proceeds to investors under certain conditions. In addition, certain mortgage loans guaranteed by U.S. Government agencies and sold into Government National Mortgage Association (“GNMA”) pools may, under certain conditions specified in the government programs, become subject to repurchase by PrimeLending. When such loans subject to repurchase no longer qualify for sale accounting, they are reported as loans held for sale in the consolidated balance sheets.

Loans Held for Investment

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are stated at the amount of unpaid principal reduced by unearned income, net unamortized deferred fees and an allowance for credit losses. Unearned income on installment loans and interest on other loans is recognized using the effective interest method. Net fees received for providing loan commitments and letters of credit that result in loans are deferred and amortized to interest income over the life of the related loan, beginning with the initial borrowing. Net fees on commitments and letters of credit that are not expected to be funded are amortized to noninterest income over the commitment period. Income on direct financing leases is recognized on a basis that achieves a constant periodic rate of return on the outstanding investment.

The accrual of interest on credit deteriorated loans is discontinued when, in management's opinion, there is a clear indication that the borrower's cash flow may not be sufficient to meet principal and interest payments. More specifically, a loan is placed on non-accrual status if any one of the following three conditions are met: (i) loan is maintained on a cash basis because of deterioration in the financial condition of the borrower; (ii) payment in full of principal or interest is not expected; (iii) principal or interest has been in default for a period 90 days or more unless the loan asset is both well secured and in the process of collection. When a loan is placed on non-accrual status, interest is discontinued, with all previously accrued and unpaid interest charged against income. Additionally, accretion of purchased discount on non-accrual loans is suspended. Payments received on non-accrual loans are generally expected to be treated consistent with the cost recovery method, whereby any interest or principal received is recorded as a direct reduction to the amortized cost of the loan.

The Company follows applicable regulatory guidance when measuring past due status. The Company uses the actual days elapsed since the payment due date of the loan to determine delinquency.

Management defines loans acquired in a business combination as acquired loans. Acquired loans are recorded at estimated fair value on their purchase date with no carryover of the related allowance for credit losses. Acquired loans are segregated between those considered to be credit deteriorated and those without credit deterioration at acquisition. To make this determination, management considers such factors as past due status, non-accrual status and credit risk ratings. For acquired performing loans, a lifetime allowance for credit losses is estimated as of the date of acquisition and is recorded through provision for (reversal of) credit losses. The difference between the purchase price and loan receivable is amortized over the remaining life of the loan.

Purchased credit deteriorated ("PCD") loans are loans that, as of the date of acquisition, have experienced a more-than-insignificant deterioration in credit quality since origination. For PCD loans, any non-credit discount or premium related to an acquired pool of PCD loans is allocated to each individual asset within the pool. On the acquisition date, the initial allowance for credit losses measured on a pooled basis is allocated to each individual asset within the pool to allocate any non-credit discount or premium. Credit losses are measured based on unpaid principal balance. A lifetime allowance for credit losses is estimated as of the date of acquisition. The initial allowance for credit losses is added to the purchase price and is considered to be part of the PCD loan amortized cost basis.

Allowance for Credit Losses for Loans Held for Investment

Credit quality within the loans held for investment portfolio is continuously monitored by management and is reflected within the allowance for credit losses for loans. The allowance for credit losses, or reserve, is an estimate of expected losses over the lifetime of a loan within the Company's existing loans held for investment portfolio. The allowance for credit losses for loans held for investment is adjusted by a provision for (reversal of) credit losses, which is reported in earnings, and reduced by the charge-off of loan amounts, net of recoveries.

The credit loss estimation process involves procedures to appropriately consider the unique characteristics of the Company's loan portfolio segments, which are further disaggregated into loan classes, the level at which credit risk is monitored. The allowance for credit losses for loans not evaluated for specific reserves is calculated using statistical

credit factors, including probabilities of default ("PD") and loss given default ("LGD"), to the amortized cost of pools of loan exposures with similar risk characteristics over its contractual life, adjusted for prepayments, to arrive at an estimate of expected credit losses. Economic forecasts are applied over the period management believes it can estimate reasonable and supportable forecasts. Reasonable and supportable forecast periods and reversion assumptions to historical data are credit model specific. The Company typically forecasts economic variables over a one to four year horizon. Prepayments are estimated by loan type using historical information and adjusted for current and future conditions.

Commercial loans that exceed a minimum size scope are underwritten and graded using credit models that leverage national industry default data to score the loans. At the conclusion of the process of underwriting or re-grading a borrower, each borrower (for commercial and industrial loans) or property (for commercial real estate loans) is assigned a PD grade threshold. The valuation methodology of risk rating internal grades is based on the merits of the financial ratios of the borrower or the property. In addition, an LGD grade is determined by the credit models utilizing collateral information provided. A master rating scale effectively "pools" the loans by credit scores and assigns a standard one year PD percentage and an LGD percentage equally for all loans that have a given score. For borrowers or loans that do not meet the minimum balance threshold, an internal scorecard is utilized to approximate the grades derived from the credit models and is mapped to the master rating scale. The resulting numerical PD grade is the credit quality indicator for commercial loans. The grades on borrowers or properties that are scored in the credit models are determined at origination and updated at least annually. The grades on the internal scorecards are updated annually if they meet a minimum threshold, or if new circumstances (favorable or unfavorable) warrant a re-scoring.

When computing allowance levels, credit loss assumptions are estimated using models that analyze loans according to credit risk ratings, historic loss experience, past due status and other credit trends and risk characteristics, including current conditions and reasonable and supportable forecasts about the future. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. Future factors and forecasts may result in significant changes in the allowance and provision (reversal) for credit losses in those future periods. The allowance for credit losses will primarily reflect estimated losses for pools of loans that share similar risk characteristics, but will also consider individual loans that do not share risk characteristics with other loans.

Loans that Share Risk Characteristics with Other Loans ("Collectively Evaluated")

In estimating the component of the allowance for credit losses for loans that share similar risk characteristics with other loans, such loans are segregated into loan classes. Loans are designated into loan classes based on loans pooled by product types and similar risk characteristics or areas of risk concentration. In determining the allowance for credit losses, the Company derives an estimated credit loss assumption from a model that categorizes loan pools based on loan type and internal risk rating or past due category as follows.

Commercial and Industrial and Commercial Real Estate Loans. The Company assesses the credit quality of the borrower and assigns an internal risk rating by loan type for the commercial and industrial and commercial real estate portfolios. Internal risk ratings are assigned at origination or acquisition, and if necessary, adjusted for changes in credit quality over the life of the exposure. In assessing the internal PD risk rating of the loan or related unfunded commitments, the Company separately evaluates owner and non-owner occupied real estate. The borrower's financial statements may be used to evaluate amounts and sources of repayments, debt service coverage, debt capacity, and quality of earnings. Other non-financial metrics are also evaluated including the geographies and industries within which it operates, its management strength, and its reputation and historical experience. The internal LGD risk rating also considers assessment of collateral quality and current loan to value, collateral type and loan seniority, covenant strength and performance, as well as any individual, corporate, or government guarantees.

These factors are based on an evaluation of historical and current information and sometimes involve subjective assessment and interpretation. Specific considerations for construction are considered in the internal PD and LGD risk ratings including property type, development phase and complexity, as well as lease-up and stabilization projections. The PD and LGD factors are further sensitized in the models for future expectations over the loan's contractual life, adjusted for prepayments.

1-4 Family Residential Loans. The 1-4 family residential loan portfolio is grouped into pools of residential real estate loans with similar credit risk characteristics. For 1-4 family residential loans, the Company utilizes separate credit models designed for these types of loans to estimate the PD and LGD grades for the allowance for credit losses calculation. The models calculate expected losses and prepayments using borrower information at origination, including FICO score, loan type, collateral type, lien position, geography, origination year, and loan to value. Past due status post-origination is also a key input in the models. Current and future changes in economic conditions, including unemployment rates, home prices, index rates, and mortgage rates, are also considered. New originations and loan purchases are scored using the FICO score at origination. FICO score bands are assigned following prevalent industry standards and are used as the credit quality indicator for these types of loans. Substandard non-accrual loans are treated as a separate category in the credit scoring grid as the probability of default is 100% and the FICO score is no longer a relevant predictor.

Consumer Loans. The consumer loan portfolio is grouped into pools of consumer installment loans or revolving lines of credit with similar credit characteristics. The models calculate expected losses using borrower information at origination, including FICO score, origination year, geography, and collateral type.

Broker-Dealer Loans. The broker-dealer loan portfolio is evaluated on an individual basis using the collateral maintenance practical expedient. The collateral maintenance practical expedient allows the broker-dealer to compare the fair value of the collateral of each loan as of the reporting date to loan value. The underlying collateral of the loans to customers and correspondents is marked to market daily and any required additional collateral is collected. The allowance represents the amount of unsecured loan balances at the end of the period.

Qualitative Factors

Estimating the timing and amounts of future losses is subject to significant management judgment as these loss cash flows rely upon estimates such as default rates, loss severities, collateral valuations, the amounts and timing of principal payments (including any expected prepayments) or other factors that are reflective of current or future expected conditions. These estimates, in turn, depend on the duration of current overall economic conditions, industry, borrower, or portfolio specific conditions, the expected outcome of bankruptcy or insolvency proceedings, as well as, in certain circumstances, other economic factors, including the level of current and future real estate prices. All of these estimates and assumptions require significant management judgment and certain assumptions that are highly subjective. Model imprecision also exists in the allowance for credit losses estimation process due to the inherent time lag of available industry information and differences between expected and actual outcomes.

Management considers adjustments for these conditions in its allowance for credit loss estimates qualitatively where they may not be measured directly in its individual or collective assessments, including but not limited to:

- an adjustment to historical loss data to measure credit risk even if that risk is remote and does not meet the scope of assets with zero expected losses;
- the environmental factors and the areas in which credit is concentrated, such as the regulatory, environmental, or technological environment, the geographical area or key industries, or in the national or regional economic and business conditions where the borrower has exposure;
- the nature and volume of the company's financial assets;
- the borrower's financial condition, credit rating, credit score, asset quality, or business prospects;
- the borrower's ability to make scheduled interest or principal payments;
- the remaining payment terms of the financial assets and the remaining time to maturity and the timing and extent of prepayments on the financial assets;
- the volume and severity of past due or adversely classified financial assets;
- the value of underlying collateral in which the collateral-dependent practical expedient has not been utilized;
- any updates to credit lending policies and procedures, including lending strategies, underwriting standards, collection and recovery practices, not reflected in the models; and
- the quality of the internal credit review system.

Loans that Do Not Share Risk Characteristics with Other Loans

When a loan is assigned a substandard non-accrual or worse risk rating grade, the loan subsequently is evaluated on an individual basis and no longer evaluated on a collective basis. The net realizable value of the loan is compared to the appropriate loan basis (i.e., PCD loan versus non-PCD loan) to determine any allowance for credit losses. Loans that are below a predetermined threshold, with the exception of 1-4 family residential loans, are fully reserved. The Company generally considers non-accrual loans to be collateral-dependent. The practical expedient to measure credit losses using the fair value of the collateral has been exercised.

For commercial real estate loans, the fair value of collateral is primarily based on appraisals. For owner occupied real estate loans, underlying properties are occupied by the borrower in its business, and evaluations are based on business operations used to service the debt. For non-owner occupied real estate loans, underlying properties are income-producing and evaluations are based on tenant revenues. For income producing construction and land development loans, appraisals reflect the assumption that properties are completed.

For 1-4 family residential loans that are graded substandard non-accrual, an assessment of value is made using the most recent appraisal on file. If the appraisal on file is older than two years, the latest property tax assessment is used for the assessment of value. The assessment of value is discounted for selling costs and compared against the appropriate basis of the loan to determine if a reserve might be required.

Consumer loans are charged off when they reach 90 days delinquency as a general rule. There are limited cases where the loan is not charged off due to special circumstances and is subject to the collateral review process.

Off-Balance Sheet Credit Exposures, Including Unfunded Loan Commitments

The Company maintains a separate allowance for credit losses from off-balance sheet credit exposures, including unfunded loan commitments, which is included in other liabilities within the consolidated balance sheets. The Company estimates expected losses by calculating a commitment usage factor based on industry usage factors. The commitment usage factor is applied over the relevant contractual period. Loss factors from the underlying loans to which commitments are related are applied to the results of the usage calculation to estimate any liability for credit losses related for each loan type.

Broker-Dealer and Clearing Organization Transactions

Amounts recorded in broker-dealer and clearing organization receivables and payables include securities lending activities, as well as amounts related to securities transactions for either customers of the Hilltop Broker-Dealers or for the accounts of the Hilltop Broker-Dealers. Securities borrowed and securities loaned transactions are generally reported as collateralized financings. Securities borrowed transactions require the Hilltop Broker-Dealers to deposit cash, letters of credit, or other collateral with the lender. With respect to securities loaned, the Hilltop Broker-Dealers receive collateral in the form of cash or other assets in an amount generally in excess of the market value of securities loaned. The Hilltop Broker-Dealers monitor the market value of securities borrowed and loaned on a daily basis, with additional collateral obtained or refunded as necessary. Interest income and interest expense associated with collateralized financings is included in the accompanying consolidated statements of operations.

Premises and Equipment

Premises and equipment are stated at cost less accumulated depreciation and amortization computed principally on the straight-line method over the estimated useful lives of the assets, which range between 3 and 25 years. Gains or losses on disposals of premises and equipment are included in results of operations.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases with a term of greater than one year are included in operating lease right-of-use ("ROU") assets and operating lease liabilities on the Company's consolidated balance sheets. Finance leases are included in premises and equipment and other liabilities on the Company's consolidated balance sheets. The Company has lease agreements with lease and nonlease components, which are generally accounted for as a single lease component. Leases of low-value assets are assessed on a lease-by-lease basis to determine the need for balance sheet capitalization.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized on the lease commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses the incremental borrowing rate commensurate with the lease term based on the information available at the lease commencement date in determining the present value of lease payments. No significant judgments or assumptions were involved in developing the estimated operating lease liabilities as the Company's operating lease liabilities largely represent the future rental expenses associated with operating leases, and the incremental borrowing rates are based on publicly available interest rates. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. These options to extend or terminate are assessed on a lease-by-lease basis, and the ROU assets and lease liabilities are adjusted when it is reasonably certain that an option will be exercised. Rental expense for lease payments is recognized on a straight-line basis over the lease term and is included in occupancy and equipment, net within the Company's consolidated statements of operations.

Other Real Estate Owned

Real estate acquired through foreclosure ("OREO") is included in other assets within the consolidated balance sheets and is carried at management's estimate of fair value, less estimated cost to sell. Any excess of recorded investment over fair value, less cost to sell, is charged against the allowance for credit losses when property is initially transferred to OREO. Subsequent to the initial transfer to OREO, downward valuation adjustments are charged against earnings. Valuation adjustments, revenue and expenses from operations of the properties and resulting gains or losses on sale are included within the consolidated statements of operations in other noninterest income or expense, as appropriate.

Debt Issuance Costs

The Company capitalizes debt issuance costs associated with financing of debt. These costs are amortized using the effective interest method over the repayment term of the debt. Unamortized debt issuance costs are presented in the consolidated balance sheets as a direct reduction from the associated debt liability. Debt issuance costs of $0.9 million, $0.5 million and $0.5 million during 2025, 2024 and 2023, respectively, were amortized and included in interest expense within the consolidated statements of operations. In May 2020 and April 2015, debt issuance costs of $3.2 million and $1.9 million, respectively, were capitalized in connection with Hilltop's issuance of the Subordinated Notes due 2030 and 2035 (defined hereafter) and the 5% senior notes due 2025 (defined hereafter), respectively.

On January 15, 2025 and May 15, 2025, the Company redeemed the 5% Senior Notes due 2025 (defined hereafter) and the Subordinated Notes due 2030 (defined hereafter), respectively.

Goodwill

Goodwill, which represents the excess of cost over the fair value of the net assets acquired, is allocated to reportable business segments and tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the carrying amount should be assessed. The Company performs required annual impairment tests of its goodwill as of October 1st for each of its reporting units, which aligns with the Company's reportable business segments. Goodwill is assigned to business segments at the date the goodwill is initially recorded. Once goodwill has been assigned

to business segments, it no longer retains its association with a particular acquisition, and all of the activities within a business segment, whether acquired or internally generated, are available to support the value of the goodwill. The goodwill impairment test requires the Company to make judgments in determining what assumptions to use in the calculation. The process consists of estimating the fair value of each reportable business segment based on valuation techniques, including a discounted cash flow model using revenue and profit forecasts and recent industry transaction and trading multiples of peers, and comparing those estimated fair values with the carrying values of the assets and liabilities of the business segment, which includes the allocated goodwill. If the estimated fair value is less than the carrying value, the Company is required to recognize an impairment charge for the amount by which the carrying amount exceeds the business segment's fair value; however, any loss recognized will not exceed the total amount of goodwill allocated to that business segment.

Intangibles and Other Long-Lived Assets

Intangible assets are acquired assets that lack physical substance but can be distinguished from goodwill because of contractual or other legal rights or because the asset is capable of being sold or exchanged either on its own or in combination with a related contract, asset or liability. The Company's intangible assets primarily consist of trade names and customer relationships. Intangible assets with definite useful lives are generally amortized on the straight-line method over their estimated lives, although certain intangibles, including customer relationships, are amortized on an accelerated basis. Amortization of intangible assets is recorded in other noninterest expense within the consolidated statements of operations. Intangible assets with indefinite useful lives are tested for impairment on an annual basis as of October 1st, or more often if events or circumstances indicate there may be impairment, and not amortized until their lives are determined to be definite. Intangible assets with definite useful lives, premises and equipment, operating lease ROU assets, and other long-lived assets are tested for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable from future undiscounted cash flows. Impaired assets are recorded at fair value.

Mortgage Servicing Rights

The Company determines its portfolio segment of residential mortgage servicing assets based on the asset type being serviced along with the methods used to manage the risk inherent in the servicing assets, which includes the market inputs used to value the servicing assets. The Company measures its servicing assets at fair value and reports changes in fair value through earnings.

The retained mortgage servicing rights ("MSR") asset is measured at fair value as of the date of sale of the related mortgage loan. Subsequent fair value measurements of the MSR asset are determined by valuing the projected net servicing cash flows, which are then discounted to estimate fair value using a discounted cash flow model. Assumptions used include market discount rates, anticipated prepayment speeds, delinquency and foreclosure rates, and ancillary fee income.

The model assumptions and the MSR asset fair value estimates are compared to observable trades of similar portfolios as well as to MSR asset broker valuations and industry surveys, as available. The expected life of the loan can vary from management's estimates due to prepayments by borrowers. The value of the MSR asset is also dependent upon the discount rate used in the model, which is based on current market rates that are reviewed by management on an ongoing basis.

Derivative Financial Instruments

The Company enters into various derivative financial instruments to manage interest rate risk or to hedge specified assets and liabilities. The Company's derivative financial instruments also include interest rate lock commitments ("IRLCs") executed with its customers that allow those customers to obtain a mortgage loan on a future date at an agreed-upon interest rate. The IRLCs, forward commitments, interest rate swaps, U.S. Treasury bond futures and options, futures contracts, credit default swaps and municipal market data ("MMD") rate locks meet the definition of a derivative under the provisions of the Derivatives and Hedging Topic of the ASC.

Derivatives are recorded at fair value and included in other assets and other liabilities within the consolidated balance sheets. To qualify for hedge accounting, derivatives must be highly effective at reducing the risk associated with the exposure being hedged and must be designated as a hedge at the inception of the derivative contract. If derivative instruments are designated as hedges of fair values, the change in the fair value of both the derivative instrument and the hedged item are included in current earnings. Changes in the fair value of derivatives designated as hedges of cash flows are recorded in other comprehensive income (loss). Actual cash receipts and/or payments and related accruals on derivatives related to hedges are recorded as adjustments to the line item where the hedged item's effect on earnings is recorded.

Certain financial instruments, including resale and repurchase agreements, securities lending arrangements and derivatives, may be eligible for offset in the consolidated balance sheets and/or subject to master netting arrangements or similar agreements. The Company generally enters into master netting agreements and collateral agreements with its counterparties. These agreements provide the Company with the right, in the event of a default by the counterparty, to net a counterparty's rights and obligations under the agreement, and to liquidate and set off collateral against any net amount owed by the counterparty. The Company presents required disclosures related to collateral and derivative positions on a gross basis.

Revenue from Contracts with Customers

Certain activities primarily within the Company's banking and broker-dealer segments are subject to the provisions of ASC 606, *Revenue from Contracts with Customers* ("ASC 606").

The Company's banking segment has three primary lines of business: (i) business banking, (ii) personal banking and (iii) wealth and investment management. Revenue from contracts with customers subject to the guidance in ASC 606 from the banking segment (certain retail and trust fees) is included within the other noninterest income line item within the consolidated statements of operations. Retail and trust fees are generally recognized at the time the related transaction occurs or when services are completed. Fees are based on the dollar amount of the transaction or are otherwise predefined in contracts associated with each customer account depending on the type of account and services provided.

The Company's broker-dealer segment has four primary lines of business: (i) public finance services, (ii) structured finance, (iii) fixed income services and (iv) wealth management, which includes retail, clearing services and securities lending groups. Revenue from contracts with customers subject to the guidance in ASC 606 from the broker-dealer segment is included within the principal transactions, commissions and fees and investment banking, advisory and administrative fees line items within the consolidated statements of operations. Revenue from contracts with customers includes commission income and fees from investment banking and asset management services. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgement is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the broker-dealer's progress under the contact; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events. For further details involving the recognition of broker-dealer segment revenues, see Note 23 to the consolidated financial statements.

Loss Contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated.

Stock-Based Compensation

Stock-based compensation expense for all share-based awards granted is based on the grant date fair value estimated in accordance with the provisions of the Stock Compensation Topic of the ASC. The Company recognizes these compensation costs for only those awards expected to vest over the service period of the award.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recorded for the estimated future tax effects of the temporary difference between the tax basis and book basis of assets and liabilities reported in the accompanying consolidated balance sheets. The provision for income tax expense or benefit differs from the amounts of income taxes currently payable because certain items of income and expense included in the consolidated financial statements are recognized in different time periods by taxing authorities. Interest and penalties incurred related to tax matters are charged to other interest expense or other noninterest expense, respectively. The revaluation of deferred tax assets as a result of enacted tax rate changes, is recognized within income tax expense in the period of enactment.

Benefits from uncertain tax positions are recognized in the consolidated financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority having full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of cumulative benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more-likely-than-not recognition threshold are recognized in the reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not recognition threshold are derecognized in the reporting period in which that threshold is no longer met. If the Company were to prevail on all uncertain tax positions, the effect would be a benefit to the Company's effective tax rate. Due to uncertainties in any tax audit outcome, estimates of the ultimate settlement of unrecognized tax positions may change and the actual tax benefits may differ significantly from the estimate.

Deferred tax assets, including net operating loss and tax credit carry forwards, are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that any portion of these tax attributes will not be realized. Periodic reviews of the carrying amount of deferred tax assets are made when it is more likely than not that all or a portion of a deferred tax asset will not be realized.

Cash, Cash Equivalents and Restricted Cash

For the purpose of presentation in the consolidated statements of cash flows, cash, cash equivalents and restricted cash are defined as the amounts included in the consolidated balance sheet captions "Cash and due from banks," "Federal funds sold" and "Assets segregated for regulatory purposes." Cash equivalents have original maturities of three months or less.

Repurchases of Common Stock

In accordance with Maryland law, the Company uses the par value method of accounting for its stock repurchases, whereby the par value of the shares is deducted from common stock. The excess of the cost of shares acquired over the par value is allocated to additional paid-in capital based on an estimated average sales price per issued share with the excess amounts charged to retained earnings.

Basic and Diluted Net Income Per Share

Nonvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents are participating securities and are included in the computation of earnings per share pursuant to the two-class method prescribed by the Earnings Per Share Topic of the ASC. The two-class method is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings.

Net earnings, less any preferred dividends accumulated for the period (whether or not declared), is allocated between the common stock and participating securities pursuant to the two-class method. Basic earnings per common share is computed by dividing net earnings available to common stockholders by the weighted average number of common shares outstanding during the period, excluding participating nonvested restricted shares. The Company calculated basic earnings per common share using the treasury method instead of the two-class method because there were no instruments which qualified as participating securities during 2025, 2024 or 2023.

Diluted earnings per common share is computed in a similar manner, except that first the denominator is increased to include the number of additional common shares that would have been outstanding if potentially dilutive common shares, excluding the participating securities, were issued using the treasury stock method. During, 2025, 2024 and 2023, restricted stock units ("RSUs") were the only potentially dilutive non-participating instruments issued by Hilltop. Next, the Company determines and includes in the diluted earnings per common share calculation the more dilutive effect of the participating securities using the treasury stock method or the two-class method. Undistributed losses are not allocated to the nonvested share-based payment awards (the participating securities) under the two-class method as the holders are not contractually obligated to share in the losses of the Company.

2. Recently Issued Accounting Standards

Accounting Standards Adopted In 2025

In August 2023, the FASB issued ASU 2023-05 to require joint ventures to initially measure all contributions received and liabilities assumed upon its formation at fair value. The guidance is applicable to joint venture entities with a formation date on or after January 1, 2025, with early adoption permitted. The Company adopted the provisions of the amendments as of January 1, 2025. The adoption of this amendment did not have a material impact on the Company's consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09 to improve disclosures and presentation requirements to the transparency of the income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. The amendments are effective in annual periods beginning after December 15, 2024, with early adoption permitted. The Company adopted the provisions of the amendments in its Annual Report on Form 10-K for the year ending December 31, 2025. The adoption of this amendment did not have a material impact on the Company's consolidated financial statements.

In March 2024, the FASB issued ASU 2024-01 to clarify how an entity should determine whether a profits interest or similar award should be accounted for as a share-based payment arrangement or similar to a cash bonus or profit-sharing arrangement. The amendments are effective in annual periods beginning after December 15, 2024, and interim periods within those annual periods, with early adoption permitted. The Company adopted the provisions of the amendments as of January 1, 2025. The adoption of this amendment did not have a material impact on the Company's consolidated financial statements.

Accounting Standards Adopted In 2026

In May 2025, the FASB issued ASU 2025-03, to improve accounting consistency for the acquisition of a variable interest entity that is a business. The amendments are effective in annual periods beginning after December 15, 2026, and interim periods within those years, with early adoption permitted. The Company adopted the provisions of the amendments as of January 1, 2026. The adoption of this amendment did not have a material impact on the Company's consolidated financial statements.

Accounting Standards Issued But Not Yet Adopted

In October 2023, the FASB issued ASU 2023-06 to clarify or improve disclosure and presentation requirements of a variety of topics, which will allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements and align the requirements in the FASB accounting standard codification with the SEC's regulations. The amendments will be effective on the date the SEC removes related disclosure requirements from Regulation S-X or Regulation S-K. If by June 30, 2027, the SEC has not removed the applicable disclosure requirements, the pending amendments will not become effective. Early adoption is prohibited. The Company does not expect the future adoption of this amendment to have a material impact on its consolidated financial statements since the Company is currently subject to the SEC's disclosure and presentation requirements under Regulation S-X and Regulation S-K.

In November 2024, the FASB issued ASU 2024-03, which was further clarified through the issuance of ASU 2025-01 in January 2025, to improve disclosure on an entity's expenses and provide more detailed information for specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments are effective in annual periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In July 2025, the FASB issued ASU 2025-05, to address complexities in applying current expected credit losses for current accounts receivable and contract assets. The amendments allow entities to make an accounting policy election to apply a practical expedient when estimating expected credit losses for certain assets, which allows entities to assume that economic conditions at the balance sheet date will remain unchanged for the remaining life of those assets. The amendments are effective in annual periods beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In September 2025, the FASB issued ASU 2025-06, to modernize current rules associated with the accounting for costs related to internally developed software. The guidance clarifies the threshold to be applied to begin capitalizing costs by eliminating references to project development stages and align with current agile implementation principles. The amendments are effective in annual periods beginning after December 15, 2027, and interim periods within those years, with early adoption permitted. The amendment may be applied on a prospective, retrospective or modified retrospective basis. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In November 2025, the FASB issued ASU 2025-08, to eliminate Day 1 credit loss expense on certain purchased seasoned loans which are acquired more than 90 days post origination or acquired in a business combination. The amendments are effective in annual periods beginning after December 15, 2026, and interim periods within those years, with early adoption permitted. The amendment may be applied on a prospective basis. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In November 2025, the FASB issued ASU 2025-09, to improve hedge accounting to better align with risk management economics which removes the basis adjustments in fair value hedges from effectiveness assessments in net investment hedges, restoring the viability of dual-hedge strategies. The amendments are effective in annual periods beginning after December 15, 2026, and interim periods within those years, with early adoption permitted. The amendment may be applied on a prospective basis. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In December 2025, the FASB issued ASU 2025-11, to add clarity and consistency for disclosure in interim periods around significant events and changes in estimates. The amendments are effective in annual periods beginning after December 15, 2027, and interim periods within those years, with early adoption permitted. The amendment may be applied on a prospective or retrospective basis. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

In December 2025, the FASB issued ASU 2025-12, to clarify or improve disclosure and presentation requirements of a variety of topics. The amendments are effective in annual periods beginning after December 15, 2026, and interim periods within those years, with early adoption permitted. The Company is currently evaluating the provisions of the amendments and the impact on its future consolidated statements.

3. Fair Value Measurements

Fair Value Measurements and Disclosures

The Company determines fair values in compliance with The Fair Value Measurements and Disclosures Topic of the ASC (the "Fair Value Topic"). The Fair Value Topic defines fair value, establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. The Fair Value Topic defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The Fair Value Topic assumes that transactions upon which fair value measurements are based occur in the principal market for the asset or liability being measured. Further, fair value measurements made under the Fair Value Topic exclude transaction costs and are not the result of forced transactions.

The Fair Value Topic includes a fair value hierarchy that classifies fair value measurements based upon the inputs used in valuing the assets or liabilities that are the subject of fair value measurements. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs, as indicated below.

- *Level 1 Inputs*: Unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date.
- *Level 2 Inputs*: Observable inputs other than Level 1 prices. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, yield curves, prepayment speeds, default rates, credit risks and loss severities), and inputs that are derived from or corroborated by market data, among others.
- *Level 3 Inputs*: Unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities. Level 3 inputs include pricing models and discounted cash flow techniques, among others.

Fair Value Option

The Company has elected to measure substantially all of PrimeLending's mortgage loans held for sale and the retained MSR asset at fair value, under the provisions of the Fair Value Option. The Company elected to apply the provisions of the Fair Value Option to these items so that it would have the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. At December 31, 2025 and 2024, the aggregate fair value of PrimeLending's mortgage loans held for sale accounted for under the Fair Value Option was $886.2 million and $809.8 million, respectively, and the unpaid principal balance of those loans was $870.1 million and $803.0 million, respectively. The interest component of fair value is reported as interest income on loans in the accompanying consolidated statements of operations.

The Company holds a number of financial instruments that are measured at fair value on a recurring basis, either by the application of the Fair Value Option or other authoritative pronouncements. The fair values of those instruments are determined primarily using Level 2 inputs, as further described below. Those inputs include quotes from mortgage loan investors and derivatives dealers and data from independent pricing services. The fair value of loans held for sale is determined using an exit price method.

Trading Securities — Trading securities are reported at fair value primarily using either Level 1 or Level 2 inputs in the same manner as discussed below for available for sale securities.

Available For Sale Securities — Most securities available for sale are reported at fair value using Level 2 inputs. The Company obtains fair value measurements from independent pricing services. As the Company is responsible for the determination of fair value, control processes are designed to ensure that the fair values received from independent pricing services are reasonable and the valuation techniques and assumptions used appear reasonable and consistent with prevailing market conditions. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the financial instruments' terms and conditions, among other things. The fair value of certain available for sale securities by the Company's merchant bank subsidiary, including those measured at fair value under the provision of the Fair Value Option, are primarily measured using the income approach with Level 3 inputs. The fair value of such financial instruments are based upon estimates of expected cash flows using unobservable inputs, including credit spreads derived from comparable securities and benchmark credit curves, management's knowledge of underlying collateral and recent transaction pricing.

Equity Securities — For public common and preferred equity stocks, the determination of fair value uses Level 1 inputs based on observable market transactions.

Loans Held for Sale — Mortgage loans held for sale are reported at fair value, as discussed above, using Level 2 inputs that consist of commitments on hand from investors or prevailing market prices. These instruments are held for relatively short periods, typically no more than 30 to 45 days. As a result, changes in instrument-specific credit risk are not a significant component of the change in fair value. The fair value of certain loans held for sale that cannot be sold through normal sale channels or are non-performing is measured using Level 3 inputs. The fair value of such loans is generally based upon estimates of expected cash flows using unobservable inputs, including listing prices of comparable assets, uncorroborated expert opinions, and/or management's knowledge of underlying collateral. Certain mortgage loans held for sale that are guaranteed by U.S. government agencies that are subject to repurchase or have been repurchased by PrimeLending and certain mortgage loans originated by PrimeLending on behalf of the Bank are reported at amortized cost and are not recorded at fair value on either a recurring or non-recurring basis.

Loans Held for Investment — The fair value of certain loans held for investment prior to the sale of such instruments during 2024 by the Company's merchant bank subsidiary were measured, under the provisions of the Fair Value Option, using the income approach with Level 3 inputs. The fair value of such loans were based upon estimates of expected cash flows using unobservable inputs, including credit spreads derived from comparable securities and benchmark credit curves, and management's knowledge of underlying collateral.

Derivatives — Derivatives, which are included in other assets and liabilities within the Company's consolidated balance sheets, are reported at fair value using either Level 2 or Level 3 inputs. The Bank uses dealer quotes to value interest rate swaps, forward purchase commitments and forward sale commitments executed for both hedging and non-hedging purposes. The Hilltop Broker-Dealer's forward purchase commitments and forward sale commitments, and interest rate swaps are valued by quoted prices in active markets or by models that use various assumptions that are derived from or supported by data that is generally observable in the marketplace. PrimeLending uses dealer quotes to value forward purchase commitments. PrimeLending's IRLCs to customers are valued based on the change in the fair value of the underlying mortgage loan from inception of the IRLC to the balance sheet date, adjusted for projected loan closing rates. PrimeLending determines the value of the underlying mortgage loan as discussed in "Loans Held for Sale," above. Additionally, PrimeLending and Hilltop Broker-Dealer use exchange traded pricing obtained from dealers to value futures contracts and U.S. Treasury bond futures and options used to hedge interest rate risk. Hilltop Broker-Dealer uses pricing obtained from dealers to value credit default swaps and MMD rate locks, to hedge changes in the fair value of its securities.

MSR Asset — The MSR asset is reported at fair value, under the provisions of the Fair Value Option, using Level 3 inputs. The MSR asset is valued by projecting net servicing cash flows, which are then discounted to estimate the fair value. The fair value of the MSR asset is impacted by a variety of factors. Prepayment rates and discount rates, the most significant unobservable inputs, are discussed further in Note 10 to the consolidated financial statements.

Equity Investments — The Company has elected to measure certain equity investments by the Company's merchant bank subsidiary under the provisions of the Fair Value Option using Level 3 inputs to mitigate volatility in reported earnings caused by changes in fair value and better align with merchant bank investment strategy. Equity investments are reported as a component of other assets within the consolidated balance sheets and changes in fair value are reported within other noninterest income in the accompanying consolidated statements of operations.

Securities Sold, Not Yet Purchased — Securities sold, not yet purchased are reported at fair value primarily using either Level 1 or Level 2 inputs in the same manner as discussed above for trading and available for sale securities.

The following tables present information regarding financial assets and liabilities measured at fair value on a recurring basis (in thousands).

December 31, 2025	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Trading securities	$ 8,915	$ 608,493	$ —	$ 617,408
Available for sale securities	—	1,429,056	61,992	1,491,048
Equity securities	265	—	—	265
Loans held for sale	—	847,289	38,866	886,155
Derivative assets	—	45,403	—	45,403
MSR asset	—	—	17,491	17,491
Equity investments	—	—	18,774	18,774
Securities sold, not yet purchased	29,390	8,565	—	37,955
Derivative liabilities	—	14,005	—	14,005

December 31, 2024	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total Fair Value
Trading securities	$ 11,001	$ 510,585	$ 3,330	$ 524,916
Available for sale securities	—	1,366,733	29,816	1,396,549
Equity securities	297	—	—	297
Loans held for sale	—	761,125	48,657	809,782
Derivative assets	—	67,821	—	67,821
MSR asset	—	—	5,723	5,723
Equity investments	—	—	22,015	22,015
Securities sold, not yet purchased	52,637	4,597	—	57,234
Derivative liabilities	—	11,290	—	11,290

The following table includes a rollforward for those material financial instruments measured at fair value using Level 3 inputs (in thousands).

	Balance, Beginning of Year	Purchases/ Additions	Sales/ Reductions	Transfers to (from) Level 3	Total Gains or Losses (Realized or Unrealized) Included in Net Income	Total Gains or Losses (Realized or Unrealized) Included in Other Comprehensive Income (Loss)	Balance, End of Year
Year ended December 31, 2025							
Trading securities	$ 3,330	$ 2,970	$ (6,218)	$ —	$ (82)	$ —	$ —
Available for sale securities	29,816	28,900	—	—	2,815	461	61,992
Loans held for sale	48,657	32,099	(37,806)	—	(4,084)	—	38,866
MSR asset	5,723	13,971	—	—	(2,203)	—	17,491
Equity investments	22,015	14,024	(31,956)	—	14,691	—	18,774
Total	$ 109,541	$ 91,964	$ (75,980)	$ —	$ 11,137	$ 461	$ 137,123
Year ended December 31, 2024							
Trading securities	$ —	$ 3,515	$ —	$ —	$ (185)	$ —	$ 3,330
Available for sale securities	24,418	6,250	(4,702)	—	2,672	1,178	29,816
Loans held for sale	38,036	85,844	(60,326)	—	(14,897)	—	48,657
Loans held for investment	10,858	—	(11,352)	—	494	—	—
Derivative assets	820	—	(2,598)	—	1,778	—	—
MSR asset	96,662	11,412	(87,268)	—	(15,083)	—	5,723
Equity investments	19,540	2,475	—	—	—	—	22,015
Total	$ 190,334	$ 109,496	$ (166,246)	$ —	$ (25,221)	$ 1,178	$ 109,541
Year ended December 31, 2023							
Available for sale securities	$ —	$ 25,919	$ —	$ —	$ —	$ (1,501)	$ 24,418
Loans held for sale	40,707	80,417	(61,522)	(1,008)	(20,558)	—	38,036
Loans held for investment	9,181	—	—	—	1,677	—	10,858
Derivative assets	—	782	—	—	38	—	820
MSR asset	100,825	27,359	(19,055)	—	(12,467)	—	96,662
Equity investment	—	19,540	—	—	—	—	19,540
Total	$ 150,713	$ 154,017	$ (80,577)	$ (1,008)	$ (31,310)	$ (1,501)	$ 190,334

All net realized and unrealized gains (losses) in the table above are reflected in the accompanying consolidated financial statements. The unrealized gains (losses) relate to financial instruments still held at December 31, 2025.

For material Level 3 financial instruments measured at fair value on a recurring basis the significant unobservable inputs used in the fair value measurements were as follows.

			December 31, 2025	
Financial Instrument	**Valuation Technique**	**Unobservable Inputs**	**Fair Value**	**Range (Weighted-Average)**
Available for sale securities	Discounted cash flow	Discount rate	$ 33,092	13.25 - 15.50 %
	Recent transaction	Recent transaction	28,900	
Loans held for sale	Market comparable	Projected price	38,866	78 - 94 % (90 %)
MSR asset	Discounted cash flow	Constant prepayment rate	17,491	14.68 %
		Discount rate		11.45 %
Equity investments	Market comparable	Market multiple	3,802	14.5x
	Discounted cash flow	Discount rate		12.50 %
	Discounted cash flow	Discount rate	1,372	14.50 %
	Recent transaction	Recent transaction	13,600	

			December 31, 2024	
Financial Instrument	**Valuation Technique**	**Unobservable Inputs**	**Fair Value**	**Range (Weighted-Average)**
Trading securities	Discounted cash flow	Prepayment rate	$ 3,330	10 - 12 % (11 %)
Available for sale securities	Discounted cash flow	Discount rate	23,519	12.75 - 14.00 %
	Recent transaction	Recent transaction	6,297	
Loans held for sale	Market comparable	Projected price	48,657	78 - 95 % (93 %)
MSR asset	Discounted cash flow	Constant prepayment rate	5,723	10.10 %
		Discount rate		14.89 %
Equity investments	Market comparable	Market multiple	19,540	12.5x
	Market comparable	Market multiple	1,000	2.0x - 5.4x
	Recent transaction	Recent transaction	1,475	

The Company had no transfers between Levels 1 and 2 during the periods presented. Any transfers are based on changes in the observability and/or significance of the valuation inputs and are assumed to occur at the beginning of the quarterly reporting period in which they occur.

The following table presents those changes in fair value of material instruments recognized in the consolidated statements of operations that are accounted for under the Fair Value Option (in thousands).

	Year Ended December 31, 2025			Year Ended December 31, 2024			Year Ended December 31, 2023		
	Net Gains (Losses) [1]	**Other Noninterest Income**	**Total Changes in Fair Value**	**Net Gains (Losses) [1]**	**Other Noninterest Income**	**Total Changes in Fair Value**	**Net Gains (Losses) [1]**	**Other Noninterest Income**	**Total Changes in Fair Value**
Available for sale securities	$ —	$ (829)	$ (829)	$ —	$ —	$ —	$ —	$ —	$ —
Loans held for sale	9,230	—	9,230	(15,023)	—	(15,023)	14,426	—	14,426
Loans held for investment	—	—	—	94	—	94	565	—	565
MSR asset	(2,203)	—	(2,203)	(15,083)	—	(15,083)	(12,467)	—	(12,467)
Equity investments	—	8,243	8,243	—	—	—	—	—	—

(1) Net gains (losses) related to changes in fair value of material instruments that are accounted for under the Fair Value Option are reported in the following line items of the consolidated statement of operations: Loans held for sale - Net gains from sale of loans and other production income, Loans held for investment - Loans, including fees and MSR asset – Net gains from sale of loans and other mortgage production income.

The Company determines the fair value of OREO on a non-recurring basis. In particular, the fair value of properties are determined at their respective acquisition date fair values. In addition, facts and circumstances may dictate a fair value measurement when there is evidence of impairment. The Company determines fair value primarily using independent appraisals of OREO properties. The resulting fair value measurements are classified as Level 2 inputs. At December 31, 2025 and 2024, the estimated fair value of OREO was $8.0 million and $2.8 million, respectively, and the underlying fair value measurements utilized Level 2 inputs. The amounts are included in other assets within the consolidated balance sheets. During the reported periods, all fair value measurements for OREO subsequent to initial recognition utilized Level 2 inputs. The Company recorded a nominal loss during 2025, compared with a total gain of $0.4 million and a total loss of $0.1 million during 2024 and 2023, respectively, which represent a change in fair value subsequent to initial recognition of the asset.

Financial Assets and Liabilities Not Measured at Fair Value on Recurring or Non-Recurring Basis

The Fair Value of Financial Instruments Subsection of the ASC requires disclosure of the fair value of financial assets and liabilities, including the financial assets and liabilities previously discussed. The methods for determining estimated fair value for financial assets and liabilities measured at fair value on a recurring or non-recurring basis are discussed above. For other financial assets and liabilities, the Company utilizes quoted market prices, if available, to estimate the fair value of financial instruments. Because no quoted market prices exist for a significant portion of the Company's financial instruments, the fair value of such instruments has been derived based on management's assumptions with respect to future economic conditions, the amount and timing of future cash flows, and estimated discount rates. Different assumptions could significantly affect these estimates. Accordingly, the estimates provided herein do not necessarily indicate amounts which could be realized in a current transaction. Further, as it is management's intent to hold a significant portion of its financial instruments to maturity, it is not probable that the fair values shown below will be realized in a current transaction.

Because of the wide range of permissible valuation techniques and the numerous estimates which must be made, it may be difficult to make reasonable comparisons of the Company's fair value information to that of other financial institutions. The aggregate estimated fair value amount should in no way be construed as representative of the underlying value of Hilltop and its subsidiaries. The following methods and assumptions are typically used in estimating the fair value disclosures for financial instruments:

Cash and Cash Equivalents — For cash and due from banks and federal funds sold, the carrying amount is a reasonable estimate of fair value.

Assets Segregated for Regulatory Purposes — Assets segregated for regulatory purposes may consist of cash and securities with carrying amounts that approximate fair value.

Securities Purchased Under Agreements to Resell — Securities purchased under agreements to resell are carried at the amounts at which the securities will subsequently be resold as specified in the agreements. The carrying amounts approximate fair value due to their short-term nature.

Held to Maturity Securities — For securities held to maturity, estimated fair value equals quoted market price, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities.

Loans Held for Sale — Loans held for sale includes mortgage loans held for sale that are guaranteed by U.S. government agencies that are subject to repurchase, or have been repurchased, by PrimeLending with carrying amounts that approximate fair value. The fair value of certain mortgage loans originated by PrimeLending on behalf of the Bank are measured using Level 3 inputs. Such loans are reported at fair value using an exit price method.

Loans Held for Investment — The estimated fair values of loans held for investment are measured using an exit price method.

Broker-Dealer and Clearing Organization Receivables and Payables — The carrying amount approximates their fair value.

Deposits — The estimated fair value of demand deposits, savings accounts and negotiable order of withdrawal accounts is the amount payable on demand at the reporting date. The fair value of fixed-maturity certificates of deposit is estimated using the rates currently offered for deposits of similar remaining maturities. The carrying amount for variable-rate certificates of deposit approximates their fair values.

Short-Term Borrowings — The carrying amounts of federal funds purchased, borrowings under repurchase agreements, Federal Home Loan Bank ("FHLB") and other short-term borrowings approximate their fair values.

Notes Payable — The fair values are estimated using discounted cash flow analysis based on current incremental borrowing rates for similar types of borrowing arrangements.

Other Assets and Liabilities — Other assets and liabilities primarily consists of cash surrender value of life insurance policies and accrued interest receivable and payable with carrying amounts that approximate their fair values using Level 2 inputs.

The following tables present the carrying values and estimated fair values of financial instruments not measured at fair value on either a recurring or non-recurring basis (in thousands).

		Estimated Fair Value			
December 31, 2025	**Carrying Amount**	**Level 1 Inputs**	**Level 2 Inputs**	**Level 3 Inputs**	**Total**
Financial assets:					
Cash and cash equivalents	$ 1,232,594	$ 1,232,594	$ —	$ —	$ 1,232,594
Assets segregated for regulatory purposes	20,211	20,211	—	—	20,211
Securities purchased under agreements to resell	55,977	—	55,977	—	55,977
Held to maturity securities	728,329	—	674,890	—	674,890
Loans held for sale	63,987	—	19,251	46,298	65,549
Loans held for investment, net	8,220,415	—	344,533	8,048,167	8,392,700
Broker-dealer and clearing organization receivables	1,588,882	—	1,588,882	—	1,588,882
Other assets	70,079	—	70,079	—	70,079
Financial liabilities:					
Deposits	10,878,080	—	10,871,788	—	10,871,788
Broker-dealer and clearing organization payables	1,518,503	—	1,518,503	—	1,518,503
Short-term borrowings	676,882	—	676,882	—	676,882
Notes payable	148,587	—	144,323	—	144,323
Other liabilities	7,489	—	7,489	—	7,489

		Estimated Fair Value			
December 31, 2024	**Carrying Amount**	**Level 1 Inputs**	**Level 2 Inputs**	**Level 3 Inputs**	**Total**
Financial assets:					
Cash and cash equivalents	$ 2,299,627	$ 2,299,627	$ —	$ —	$ 2,299,627
Assets segregated for regulatory purposes	70,963	70,963	—	—	70,963
Securities purchased under agreements to resell	88,728	—	88,728	—	88,728
Held to maturity securities	737,899	—	649,872	—	649,872
Loans held for sale	48,883	—	1,436	49,435	50,871
Loans held for investment, net	7,849,435	—	363,718	7,572,849	7,936,567
Broker-dealer and clearing organization receivables	1,452,366	—	1,452,366	—	1,452,366
Other assets	69,545	—	69,545	—	69,545
Financial liabilities:					
Deposits	11,065,322	—	11,058,234	—	11,058,234
Broker-dealer and clearing organization payables	1,331,902	—	1,331,902	—	1,331,902
Short-term borrowings	834,023	—	834,023	—	834,023
Notes payable	347,667	—	331,965	—	331,965
Other liabilities	16,779	—	16,779	—	16,779

The Company held equity investments other than securities of $18.9 million and $32.9 million at December 31, 2025 and 2024, respectively, which are included within other assets in the consolidated balance sheets. Of the $18.9 million of such equity investments held at December 31, 2025, $1.6 million do not have readily determinable fair values and each is measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. The following table presents the adjustments to the carrying value of these investments (in thousands).

	Year Ended December 31,	
	2025	2024
Balance, beginning of year	$ 1,979	$ 6,607
Impairments and downward adjustments	(416)	(2,305)
Dispositions	—	(2,323)
Balance, end of year	$ 1,563	$ 1,979

Merchant Bank Transaction

In January 2025, the Company's merchant bank subsidiary entered into a definitive agreement to sell all of the capital stock of Moser Acquisition, Inc. to Atlas Energy Solutions Inc. ("Atlas") for consideration including cash and Atlas common stock. On February 24, 2025, the sale of the operations associated with the Company's approximate 30% aggregate interest in Moser Holdings, LLC, which owns Moser Acquisition, Inc., was consummated. The Company's aggregate interest in Moser Holdings, LLC included equity investments that were included, and will continue to be included, within other assets in the consolidated balance sheets until liquidation of Moser Holdings, LLC. An initial pre-tax gain of $30.5 million ($23.6 million net of tax) was recorded during the first quarter of 2025 based on the Company's aggregate interest in Moser Holdings, LLC and reported primarily as a component of other noninterest income within the consolidated statements of operations. Subsequently, during 2025, the Company recorded additional net adjustments associated with its aggregate interest in Moser Holdings, LLC and the liquidation of Atlas common stock that resulted in an aggregate pre-tax gain during 2025 of $27.8 million ($21.6 million net of tax). The gain is subject to change given customary post-closing adjustments and liquidation of Moser Holdings, LLC.

4. Securities

The fair value of trading securities are summarized as follows (in thousands).

	December 31,	
	2025	2024
U.S. Treasury securities	$ 123	$ 2,553
U.S. government agencies:		
Bonds	37,222	9,984
Residential mortgage-backed securities	152,343	35,440
Collateralized mortgage obligations	58,611	125,515
Other	—	19,877
Corporate debt securities	41,136	60,594
States and political subdivisions	295,615	244,076
Private-label securitized product	9,547	16,208
Other	22,811	10,669
Totals	$ 617,408	$ 524,916

In addition to the securities shown above, the Hilltop Broker-Dealers enter into transactions that represent commitments to deliver and purchase securities at prevailing future market prices to facilitate customer transactions and satisfy such commitments. Accordingly, the Hilltop Broker-Dealers' ultimate obligation may exceed the amount recognized in the financial statements. These securities, which are carried at fair value and reported as securities sold, not yet purchased in the consolidated balance sheets, had a value of $38.0 million and $57.2 million at December 31, 2025 and 2024, respectively.

The amortized cost and fair value of available for sale and held to maturity securities are summarized as follows (in thousands).

	Available for Sale			
December 31, 2025	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
U.S. Treasury securities	$ 4,998	$ —	$ (55)	$ 4,943
U.S. government agencies:				
Bonds	81,418	138	(349)	81,207
Residential mortgage-backed securities	411,571	1,553	(22,064)	391,060
Commercial mortgage-backed securities	243,888	830	(4,382)	240,336
Collateralized mortgage obligations	716,201	917	(36,593)	680,525
Corporate debt securities [1]	62,683	613	(1,304)	61,992
States and political subdivisions	33,337	39	(2,391)	30,985
Totals	$ 1,554,096	$ 4,090	$ (67,138)	$ 1,491,048

(1) Certain corporate debt securities associated with merchant bank investments are required to be accounted for under the provisions of the Fair Value Option. As a result, unrealized losses include a fair value adjustment of $0.8 million that is reported as a component of other noninterest income within the consolidated statements of operations for the year ended December 31, 2025. All other unrealized gains and losses are included as a component of accumulated other comprehensive income or loss on the Company's consolidated balance sheets.

	Available for Sale			
December 31, 2024	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
U.S. Treasury securities	$ 4,991	$ —	$ (229)	$ 4,762
U.S. government agencies:				
Bonds	112,293	214	(639)	111,868
Residential mortgage-backed securities	379,651	35	(38,500)	341,186
Commercial mortgage-backed securities	226,326	161	(6,160)	220,327
Collateralized mortgage obligations	710,663	328	(53,391)	657,600
Corporate debt securities	30,139	215	(538)	29,816
States and political subdivisions	34,352	10	(3,372)	30,990
Totals	$ 1,498,415	$ 963	$ (102,829)	$ 1,396,549

	Held to Maturity			
December 31, 2025	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
U.S. government agencies:				
Residential mortgage-backed securities	$ 265,349	$ 515	$ (18,308)	$ 247,556
Commercial mortgage-backed securities	122,636	327	(6,088)	116,875
Collateralized mortgage obligations	262,203	223	(25,577)	236,849
States and political subdivisions	78,141	134	(4,665)	73,610
Totals	$ 728,329	$ 1,199	$ (54,638)	$ 674,890

	Held to Maturity			
December 31, 2024	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
U.S. government agencies:				
Residential mortgage-backed securities	$ 255,880	$ —	$ (31,621)	$ 224,259
Commercial mortgage-backed securities	147,696	—	(10,688)	137,008
Collateralized mortgage obligations	257,230	—	(38,269)	218,961
States and political subdivisions	77,093	32	(7,481)	69,644
Totals	$ 737,899	$ 32	$ (88,059)	$ 649,872

Additionally, the Company had unrealized net gains of $0.2 million and $0.2 million at December 31, 2025 and 2024 from equity securities with fair values of $0.3 million and $0.3 million at December 31, 2025 and 2024, respectively. The Company recognized net losses of $0.4 million and nominal net losses during 2025 and 2024, respectively, due to changes in the fair value of equity securities still held at the balance sheet date. During 2025, the Company recorded net losses of $0.4 million, while during 2024, net gains recognized from equity securities sold were nominal.

Information regarding available for sale and held to maturity securities that were in an unrealized loss position is shown in the following tables (dollars in thousands).

	December 31, 2025			December 31, 2024		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
Available for Sale						
U.S. treasury securities:						
Unrealized loss for less than twelve months	—	$ —	$ —	—	$ —	$ —
Unrealized loss for twelve months or longer	1	4,943	55	1	4,762	229
	1	4,943	55	1	4,762	229
U.S. government agencies:						
Bonds:						
Unrealized loss for less than twelve months	2	2,811	6	5	32,699	54
Unrealized loss for twelve months or longer	13	41,004	343	14	63,719	585
	15	43,815	349	19	96,418	639
Residential mortgage-backed securities:						
Unrealized loss for less than twelve months	1	11,390	46	20	56,122	1,384
Unrealized loss for twelve months or longer	117	251,643	22,018	107	283,691	37,116
	118	263,033	22,064	127	339,813	38,500
Commercial mortgage-backed securities:						
Unrealized loss for less than twelve months	1	9,893	43	3	34,539	70
Unrealized loss for twelve months or longer	18	198,985	4,339	20	197,203	6,090
	19	208,878	4,382	23	231,742	6,160
Collateralized mortgage obligations:						
Unrealized loss for less than twelve months	3	21,597	54	2	9,944	146
Unrealized loss for twelve months or longer	128	550,788	36,539	132	629,089	53,245
	131	572,385	36,593	134	639,033	53,391
Corporate debt securities [(1)]:						
Unrealized loss for less than twelve months	1	7,121	829	1	9,271	538
Unrealized loss for twelve months or longer	1	9,743	475	—	—	—
	2	16,864	1,304	1	9,271	538
States and political subdivisions:						
Unrealized loss for less than twelve months	—	—	—	4	1,919	9
Unrealized loss for twelve months or longer	40	22,742	2,391	52	24,916	3,363
	40	22,742	2,391	56	26,835	3,372
Total available for sale:						
Unrealized loss for less than twelve months	8	52,812	978	35	144,494	2,201
Unrealized loss for twelve months or longer	318	1,079,848	66,160	326	1,203,380	100,628
	326	$ 1,132,660	$ 67,138	361	$ 1,347,874	$ 102,829

(1) Certain corporate debt securities associated with merchant bank investments are required to be accounted for under the provisions of the Fair Value Option. As a result, unrealized losses includes a fair value adjustment of $0.8 million that is reported as a component of other noninterest income within the consolidated statements of operations for the year ended December 31, 2025. All other unrealized losses are included as a component of accumulated other comprehensive income or loss on the Company's consolidated balance sheets.

	December 31, 2025			December 31, 2024		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
Held to Maturity						
U.S. government agencies:						
Residential mortgage-backed securities:						
Unrealized loss for less than twelve months	1	$ 11,337	$ 2	—	$ —	$ —
Unrealized loss for twelve months or longer	45	214,351	18,306	45	224,258	31,621
	46	225,688	18,308	45	224,258	31,621
Commercial mortgage-backed securities:						
Unrealized loss for less than twelve months	—	—	—	—	—	—
Unrealized loss for twelve months or longer	20	102,228	6,088	26	137,009	10,688
	20	102,228	6,088	26	137,009	10,688
Collateralized mortgage obligations:						
Unrealized loss for less than twelve months	—	—	—	—	—	—
Unrealized loss for twelve months or longer	51	206,483	25,577	53	218,961	38,269
	51	206,483	25,577	53	218,961	38,269
States and political subdivisions:						
Unrealized loss for less than twelve months	1	500	—	8	4,305	24
Unrealized loss for twelve months or longer	165	60,563	4,665	169	62,113	7,457
	166	61,063	4,665	177	66,418	7,481
Total held to maturity:						
Unrealized loss for less than twelve months	2	11,837	2	8	4,305	24
Unrealized loss for twelve months or longer	281	583,625	54,636	293	642,341	88,035
	283	$ 595,462	$ 54,638	301	$ 646,646	$ 88,059

Expected maturities may differ from contractual maturities because certain borrowers may have the right to call or prepay obligations with or without penalties. The amortized cost and fair value of securities, excluding trading and equity securities, at December 31, 2025 are shown by contractual maturity below (in thousands).

	Available for Sale		Held to Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	$ 31,360	$ 31,364	$ —	$ —
Due after one year through five years	82,020	81,296	7,419	7,160
Due after five years through ten years	37,258	36,010	58,400	55,357
Due after ten years	31,798	30,457	12,322	11,093
	182,436	179,127	78,141	73,610
Residential mortgage-backed securities	411,571	391,060	265,349	247,556
Commercial mortgage-backed securities	243,888	240,336	122,636	116,875
Collateralized mortgage obligations	716,201	680,525	262,203	236,849
	$ 1,554,096	$ 1,491,048	$ 728,329	$ 674,890

During 2025, 2024 and 2023, the Company recognized net gains from principal transactions of $140.3 million, $153.6 million and $141.4 million, respectively. During 2025, 2024 and 2023 the Company had no other realized gains and losses on securities. All such net gains and losses are recorded as a component of principal transactions, commissions and fees within the consolidated statements of operations.

Securities with a carrying amount of $1.1 billion and $563.9 million (with a fair value of $1.0 billion and $520.0 million, respectively) at December 31, 2025 and 2024, respectively, were pledged by the Bank to secure public and trust deposits, federal funds purchased and securities sold under agreements to repurchase, and for other purposes as required or permitted by law. Substantially all of these pledged securities were included in the Company's available for sale and held to maturity securities portfolios at December 31, 2025 and 2024.

Mortgage-backed securities and collateralized mortgage obligations consist principally of GNMA, Federal National Mortgage Association ("FNMA") and Federal Home Loan Mortgage Corporation ("FHLMC") pass-through and

participation certificates. GNMA securities are guaranteed by the full faith and credit of the United States, while FNMA and FHLMC securities are fully guaranteed by those respective United States government-sponsored agencies, and conditionally guaranteed by the full faith and credit of the United States.

5. Loans Held for Investment

The Bank originates loans to customers primarily in Texas. Although the Bank has diversified loan and leasing portfolios and, generally, holds collateral against amounts advanced to customers, its debtors' ability to honor their contracts is substantially dependent upon the general economic conditions of the region and of the industries in which its debtors operate, which consist primarily of real estate (including construction and land development), wholesale/retail trade, agribusiness and energy. The Hilltop Broker-Dealers make loans to customers and correspondents through transactions originated by both employees and independent retail representatives throughout the United States. The Hilltop Broker-Dealers control risk by requiring customers to maintain collateral in compliance with various regulatory and internal guidelines, which may vary based upon market conditions. Securities owned by customers and held as collateral for loans are not included in the consolidated financial statements.

Loans held for investment summarized by portfolio segment are as follows (in thousands).

	December 31,	
	2025	2024
Commercial real estate:		
Non-owner occupied	$ 2,121,087	$ 1,921,691
Owner occupied	1,533,173	1,435,945
Commercial and industrial	1,526,467	1,541,940
Construction and land development	894,011	866,245
1-4 family residential	1,861,654	1,792,602
Consumer	31,027	28,410
Broker-dealer [1]	344,533	363,718
	8,311,952	7,950,551
Allowance for credit losses	(91,537)	(101,116)
Total loans held for investment, net of allowance	$ 8,220,415	$ 7,849,435

(1) Primarily represents margin loans to customers and correspondents associated with broker-dealer segment operations.

Past Due Loans and Non-accrual Loans

An analysis of the aging of the Company's loan portfolio is shown in the following tables (in thousands).

	Loans Past Due			Total Past	Current	Total	Accruing Loans Past Due
December 31, 2025	30-59 Days	60-89 Days	90 Days or More	Due Loans	Loans	Loans	90 Days or More
Commercial real estate:							
Non-owner occupied	$ 1,138	$ 1,635	$ 681	$ 3,454	$ 2,117,633	$ 2,121,087	$ —
Owner occupied	2,281	4,980	1,518	8,779	1,524,394	1,533,173	—
Commercial and industrial	1,577	1,106	13,485	16,168	1,510,299	1,526,467	—
Construction and land development	711	1,009	500	2,220	891,791	894,011	—
1-4 family residential	5,992	3,425	5,114	14,531	1,847,123	1,861,654	42
Consumer	132	45	28	205	30,822	31,027	28
Broker-dealer	—	—	—	—	344,533	344,533	—
	$ 11,831	$ 12,200	$ 21,326	$ 45,357	$ 8,266,595	$ 8,311,952	$ 70

December 31, 2024	Loans Past Due 30-59 Days	60-89 Days	90 Days or More	Total Past Due Loans	Current Loans	Total Loans	Accruing Loans Past Due 90 Days or More
Commercial real estate:							
Non-owner occupied	$ 1,095	$ 361	$ 5,012	$ 6,468	$ 1,915,223	$ 1,921,691	$ —
Owner occupied	3,549	124	3,869	7,542	1,428,403	1,435,945	—
Commercial and industrial	2,488	7,179	23,101	32,768	1,509,172	1,541,940	43
Construction and land development	3,329	—	2,484	5,813	860,432	866,245	—
1-4 family residential	8,404	1,387	3,892	13,683	1,778,919	1,792,602	—
Consumer	174	1	—	175	28,235	28,410	—
Broker-dealer	—	—	—	—	363,718	363,718	—
	$ 19,039	$ 9,052	$ 38,358	$ 66,449	$ 7,884,102	$ 7,950,551	$ 43

In addition to the loans shown in the tables above, PrimeLending had $33.7 million and $22.0 million of loans included in loans held for sale (with an aggregate unpaid principal balance of $34.3 million and $22.9 million, at December 31, 2025 and 2024, respectively) that were 90 days past due and accruing interest at December 31, 2025 and 2024, respectively. These loans are guaranteed by U.S. government agencies and include loans that are subject to repurchase, or have been repurchased, by PrimeLending.

The following table provides details associated with non-accrual loans, excluding those classified as held for sale (in thousands).

	Non-accrual Loans						Interest Income Recognized		
	December 31, 2025			December 31, 2024			Year Ended December 31,		
	With Allowance	With No Allowance	Total	With Allowance	With No Allowance	Total	2025	2024	2023
Commercial real estate:									
Non-owner occupied	$ 1,012	$ 2,861	$ 3,873	$ 396	$ 6,770	$ 7,166	$ 123	$ 1,754	$ 592
Owner occupied	906	4,711	5,617	4,434	1,658	6,092	16	759	568
Commercial and industrial	14,877	13,704	28,581	29,914	29,111	59,025	251	1,614	1,840
Construction and land development	431	579	1,010	475	2,330	2,805	224	50	69
1-4 family residential	732	9,224	9,956	1,526	7,804	9,330	1,276	1,535	1,597
Consumer	—	—	—	—	—	—	—	—	—
Broker-dealer	—	—	—	—	—	—	—	—	—
	$ 17,958	$ 31,079	$ 49,037	$ 36,745	$ 47,673	$ 84,418	$ 1,890	$ 5,712	$ 4,666

At December 31, 2025 and 2024, $4.4 million and $3.7 million, respectively, of real estate loans secured by residential properties and classified as held for sale were in non-accrual status.

As shown in the table above, loans accounted for on a non-accrual basis decreased from December 31, 2024 to December 31, 2025, by $35.4 million. The change in non-accrual loans was primarily due to decreases in commercial and industrial loans of $30.4 million, commercial real estate owner non-occupied loans of $3.3 million and construction and land development loans of $1.8 million.

For non-accrual loans that are considered to be collateral-dependent, the Company has implemented the practical expedient to measure the allowance using the fair value of the collateral. For non-accrual loans that are not collateral dependent, the Company measures the allowance based on discounted expected cash flows.

Loan Modifications

Loan modifications are typically structured to create affordable payments for the debtor and can be achieved in a variety of ways. The Bank modifies loans by reducing interest rates and/or lengthening loan amortization schedules.

The following table presents the amortized cost basis of the loans held for investment modified for borrowers experiencing financial difficulty grouped by portfolio segment and type of modification granted during the periods presented (in thousands).

Year Ended December 31, 2025	Interest Rate Reduction	Term Extension	Principal Forgiveness	Payment Delay	Combination Term Extension and Rate Reduction	Total Modifications as a % of Portfolio Segment
Commercial real estate:						
Non-owner occupied	$ —	$ 9,200	$ —	$ —	$ —	0.4 %
Owner occupied	—	4,465	—	—	—	0.3 %
Commercial and industrial	—	28,089	—	—	405	1.9 %
Construction and land development	—	9,662	—	—	—	1.1 %
1-4 family residential	—	1,749	—	—	—	0.1 %
Consumer	—	—	—	—	—	— %
Broker-dealer	—	—	—	—	—	— %
Total	$ —	$ 53,165	$ —	$ —	$ 405	0.6 %

Year Ended December 31, 2024	Interest Rate Reduction	Term Extension	Principal Forgiveness	Payment Delay	Combination Term Extension and Rate Reduction	Total Modifications as a % of Portfolio Segment
Commercial real estate:						
Non-owner occupied	$ —	$ 1,424	$ —	$ —	$ —	0.1 %
Owner occupied	—	468	—	—	—	— %
Commercial and industrial	—	50,116	—	—	456	3.3 %
Construction and land development	—	359	—	—	—	0.0 %
1-4 family residential	—	168	—	—	—	— %
Consumer	—	—	—	—	—	— %
Broker-dealer	—	—	—	—	—	— %
Total	$ —	$ 52,535	$ —	$ —	$ 456	0.7 %

As shown in the tables above, loans modified for borrowers experiencing financial difficulty during 2025 included term extension modifications for a single relationship of an aggregate amount of $16.1 million and during 2024 included a term extension modification for a single loan of $23 million in the auto note financing subsector within the commercial and industrial loan portfolio.

For those loans held for investment modified for borrowers experiencing financial difficulty during the last twelve months, the following table provides aging and non-accrual details grouped by portfolio segment (in thousands).

	Modified Loans Past Due			Total Modified	Modified
December 31, 2025	30-59 Days	60-89 Days	90 Days or More	Past Due Loans	Non-accrual Loans
Commercial real estate:					
Non-owner occupied	$ —	$ 316	$ —	$ 316	$ 316
Owner occupied	4	—	—	4	4
Commercial and industrial	168	370	1,786	2,324	15,606
Construction and land development	—	—	—	—	—
1-4 family residential	—	—	—	—	22
Consumer	—	—	—	—	—
Broker-dealer	—	—	—	—	—
Total	$ 172	$ 686	$ 1,786	$ 2,644	$ 15,948

December 31, 2024	Modified Loans Past Due			Total Modified Past Due Loans	Modified Non-accrual Loans
	30-59 Days	60-89 Days	90 Days or More		
Commercial real estate:					
Non-owner occupied	$ —	$ 361	$ —	$ 361	$ 361
Owner occupied	86	—	8	94	94
Commercial and industrial	752	—	—	752	31,686
Construction and land development	—	—	—	—	—
1-4 family residential	—	—	—	—	26
Consumer	—	—	—	—	—
Broker-dealer	—	—	—	—	—
Total	$ 838	$ 361	$ 8	$ 1,207	$ 32,167

The above tables that present aging and non-accrual details exclude $18.7 million and $1.7 million of commercial and industrial loans that were modified and subsequently charged off during 2025 and 2024, respectively.

The following table presents the financial effects of the loans held for investment modified for borrowers experiencing financial difficulty during the periods presented (in thousands).

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in months)	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in months)
Commercial real estate:				
Non-owner occupied	— %	34	— %	15
Owner occupied	— %	13	— %	20
Commercial and industrial	1.3 %	10	0.5 %	25
Construction and land development	— %	22	— %	5
1-4 family residential	— %	11	— %	56
Consumer	— %	—	— %	—
Broker-dealer	— %	—	— %	—
Total	1.3 %	17	0.5 %	25

Credit Risk Profile

Management tracks credit quality trends on a quarterly basis related to: (i) past due levels, (ii) non-performing asset levels, (iii) classified loan levels, and (v) general economic conditions in state and local markets. The Company defines classified loans as loans with a risk rating of substandard, doubtful or loss. A description of the risk rating internal grades for commercial loans to is presented in the following table.

Risk Rating	Internal Grade	Risk Rating Description
Pass low risk	1 - 3	Represents loans to very high credit quality commercial borrowers of investment or near investment grade. These borrowers have significant capital strength, moderate leverage, stable earnings and growth, and readily available financing alternatives. Commercial borrowers entirely cash secured are also included in this category.
Pass normal risk	4 - 7	Represents loans to commercial borrowers of solid credit quality with moderate risk. Borrowers in these grades are differentiated from higher grades on the basis of size (capital and/or revenue), leverage, asset quality and the stability of the industry or market area.
Pass high risk	8 - 10	Represents "pass grade" loans to commercial borrowers of higher, but acceptable credit quality and risk. Such borrowers are differentiated from Pass Normal Risk in terms of size, secondary sources of repayment or they are of lesser stature in other key credit metrics.
Watch	11	Represents loans on management's "watch list" and is intended to be utilized on a temporary basis for pass grade commercial borrowers where a significant risk-modifying action is anticipated in the near term.
Special mention	12	Represents loans with potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in a deterioration of the repayment prospects for the loans and weaken the Company's credit position at some future date.
Substandard accrual	13	Represents loans for which the accrual of interest has not been stopped, but are inadequately protected by the current sound worth and paying capacity of the obligor or the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected.
Substandard non-accrual	14	Represents loans for which the accrual of interest has been stopped and includes loans where interest is more than 90 days past due and not fully secured and loans where a specific valuation allowance may be necessary.
Doubtful	15	Represents loans that are placed on non-accrual status and may be dependent upon collateral having a value that is difficult to determine or upon some near-term event which lacks certainty.
Loss	16	Represents loans that are to be charged-off or charged-down when payment is acknowledged to be uncertain or when the timing or value of payments cannot be determined. Rating is not intended to imply that the loan or some portion of it will never be paid, nor does it in any way imply that there has been a forgiveness of debt.

The following table presents loans held for investment grouped by asset class and credit quality indicator, segregated by year of origination or renewal (in thousands).

	Amortized Cost Basis by Origination Year								
December 31, 2025	**2025**	**2024**	**2023**	**2022**	**2021**	**2020 and Prior**	**Revolving**	**Loans Converted to Term Loans**	**Total**
Commercial real estate: non-owner occupied									
Internal Grade 1-3 (Pass low risk)	$ 44,070	$ 38,584	$ 2,248	$ 13,301	$ 82,017	$ 7,504	$ 941	$ —	$ 188,665
Internal Grade 4-7 (Pass normal risk)	450,214	222,377	99,061	177,880	201,909	56,901	2,769	10,854	1,221,965
Internal Grade 8-11 (Pass high risk and watch)	216,991	79,257	126,496	104,959	62,088	70,469	13,630	627	674,517
Internal Grade 12 (Special mention)	—	—	—	—	—	—	—	—	—
Internal Grade 13 (Substandard accrual)	2,086	5,104	1,758	20,185	—	2,934	—	—	32,067
Internal Grade 14 (Substandard non-accrual)	2,219	—	5	—	1,319	330	—	—	3,873
Current period gross charge-offs	—	—	918	—	—	—	—	—	918
Commercial real estate: owner occupied									
Internal Grade 1-3 (Pass low risk)	$ 38,832	$ 24,234	$ 6,408	$ 6,830	$ 19,458	$ 32,121	$ 9,553	$ 10,682	$ 148,118
Internal Grade 4-7 (Pass normal risk)	190,758	95,143	105,456	92,590	174,617	175,700	18,811	8,846	861,921
Internal Grade 8-11 (Pass high risk and watch)	138,415	60,859	30,513	98,533	38,630	92,100	15,790	497	475,337
Internal Grade 12 (Special mention)	—	—	—	—	—	—	—	—	—
Internal Grade 13 (Substandard accrual)	3,803	11,187	10,180	1,977	3,613	11,085	298	37	42,180
Internal Grade 14 (Substandard non-accrual)	1,124	373	—	—	3,445	675	—	—	5,617
Current period gross charge-offs	—	—	—	—	—	148	—	—	148
Commercial and industrial									
Internal Grade 1-3 (Pass low risk)	$ 25,161	$ 32,737	$ 3,884	$ 5,523	$ 1,532	$ 2,930	$ 51,787	$ —	$ 123,554
Internal Grade 4-7 (Pass normal risk)	120,775	42,563	10,255	45,068	50,089	22,605	240,789	8,534	540,678
Internal Grade 8-11 (Pass high risk and watch)	130,769	84,800	36,441	23,420	22,186	9,008	233,418	3,591	543,633
Internal Grade 12 (Special mention)	—	—	—	—	—	—	—	—	—
Internal Grade 13 (Substandard accrual)	784	3,542	286	2,401	2,091	1,712	18,298	3,818	32,932
Internal Grade 14 (Substandard non-accrual)	2,222	4,094	5,735	3,471	1,119	33	221	11,686	28,581
Current period gross charge-offs	98	3,095	842	934	490	14	2,575	8,785	16,833
Construction and land development									
Internal Grade 1-3 (Pass low risk)	$ 7,102	$ 879	$ —	$ —	$ 789	$ —	$ —	$ —	$ 8,770
Internal Grade 4-7 (Pass normal risk)	278,308	109,451	75,126	13,495	6,447	4,406	3,520	90	490,843
Internal Grade 8-11 (Pass high risk and watch)	255,620	94,080	11,012	2,161	2,399	2,857	6,085	—	374,214
Internal Grade 12 (Special mention)	—	—	—	—	—	—	—	—	—
Internal Grade 13 (Substandard accrual)	2,094	498	232	—	—	—	—	—	2,824
Internal Grade 14 (Substandard non-accrual)	—	605	276	133	—	(4)	—	—	1,010
Current period gross charge-offs	—	184	90	—	—	2	—	—	276
Construction and land development - individuals									
FICO less than 620	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
FICO between 620 and 720	1,662	—	—	—	—	759	—	—	2,421
FICO greater than 720	13,520	—	—	—	115	—	—	—	13,635
Substandard non-accrual	—	—	—	—	—	—	—	—	—
Other [1]	294	—	—	—	—	—	—	—	294
Current period gross charge-offs	—	—	—	—	—	—	—	—	—
1-4 family residential									
FICO less than 620	$ 404	$ 454	$ 596	$ 1,105	$ 352	$ 16,247	$ 141	$ —	$ 19,299
FICO between 620 and 720	76,235	27,501	11,329	11,757	11,348	27,458	1,588	1,008	168,224
FICO greater than 720	195,851	134,230	93,438	420,217	605,112	111,155	2,837	408	1,563,248
Substandard non-accrual	—	914	481	605	1,088	6,868	—	—	9,956
Other [1]	48,949	26,912	10,176	3,877	—	3,818	7,026	169	100,927
Current period gross charge-offs	—	—	—	5	—	1	—	—	6
Consumer									
FICO less than 620	$ 903	$ 99	$ 68	$ 49	$ 6	$ 5	$ 315	$ 6	$ 1,451
FICO between 620 and 720	2,886	803	515	405	31	34	2,780	9	7,463
FICO greater than 720	6,283	1,525	693	871	210	6	3,374	5	12,967
Substandard non-accrual	—	—	—	—	—	—	—	—	—
Other [1]	7,387	1,170	91	70	20	5	403	—	9,146
Current period gross charge-offs	152	50	4	34	—	2	18	18	278
Total loans with credit quality measures	$ 2,265,721	$ 1,103,975	$ 642,759	$ 1,050,883	$ 1,292,030	$ 659,721	$ 634,374	$ 60,867	$ 7,710,330
Commercial and industrial (mortgage warehouse lending)									$ 257,089
Broker-dealer (margin loans and correspondent receivables)									$ 344,533
Total loans held for investment									$ 8,311,952

(1) Loans classified in this category were assigned a FICO score based on various factors specific to the borrower for credit modeling purposes.

6. Allowance for Credit Losses

Available for Sale Securities and Held to Maturity Securities

The Company has evaluated available for sale debt securities that are in an unrealized loss position and has determined that any decline in value is unrelated to credit loss and related to changes in market interest rates since purchase. None of the available for sale debt securities held were past due at December 31, 2025. In addition, as of December 31, 2025, the Company had not made a decision to sell any of its debt securities held, nor did the Company consider it more likely than not that it would be required to sell such securities before recovery of their amortized cost basis. The Company does not expect to have credit losses associated with the debt securities, and no allowance was recognized on the debt securities portfolio.

Loans Held for Investment

The allowance for credit losses for loans held for investment represents management's best estimate of all expected credit losses over the expected contractual life of the Company's existing portfolio. Management's methodology for determining the allowance for credit losses uses the current expected credit losses ("CECL") standard. Management considers the level of allowance for credit losses to be a reasonable and supportable estimate of expected credit losses inherent within the loans held for investment portfolio as of December 31, 2025. While the Company believes it has an appropriate allowance for the existing loan portfolio at December 31, 2025, additional provision for losses on existing loans may be necessary in the future. Future changes in the allowance for credit losses are expected to be volatile given dependence upon, among other things, the portfolio composition and quality, as well as changes in macroeconomic forecasts and loan cash flow assumptions. In addition to the allowance for credit losses, the Company maintains a separate allowance for credit losses related to off-balance sheet credit exposures, including unfunded loan commitments, and this amount is included in other liabilities within the consolidated balance sheets. For further information on the policies that govern the estimation of the allowances for credit losses levels, see Note 1 to the consolidated financial statements.

One of the most significant judgments involved in estimating the Company's allowance for credit losses relates to the macroeconomic forecasts used to estimate credit losses over the reasonable and supportable forecast period. To determine the Company's best estimate of expected credit losses as of December 31, 2025, the Company utilized a single macroeconomic scenario, the baseline forecast, published by Moody's Analytics in December 2025 that was updated to reflect the U.S. economic outlook. During our previous macroeconomic assessment as of December 31, 2024, we utilized a single macroeconomic alternative scenario, or S5, published by Moody's Analytics in December 2024. The baseline forecast economic scenario expects the U.S. Real Gross Domestic Product ("GDP"), growth to remain weak in the near term. In this scenario, employment growth will be slow, and the unemployment rate will increase gradually during 2026. Significant variables that impact the modeled losses across the Company's loan portfolios are the GDP, growth rates and unemployment rate assumptions. Changes in these assumptions and forecasts of economic conditions could significantly affect the estimate of expected credit losses at the balance sheet date or between reporting periods.

During 2025, the provision for credit losses was primarily driven by a build in the allowance related to specific reserves and higher net charge-offs, partially offset by changes in the U.S. economic outlook and portfolio changes associated with collectively evaluated loans, including changes in loan mix and risk rating grade migration since December 31, 2024. The net impact to the allowance of changes associated with individually evaluated loans during 2025 included a provision for credit losses of $13.5 million, while collectively evaluated loans included a reversal of credit losses of $6.2 million. The change in the allowance for credit losses during 2025 was primarily attributable to the Bank and also reflected other factors including, but not limited to, loan mix, and changes in loan balances and qualitative factors from the prior year, as well as the economic scenario change during the second quarter of 2025. The change in the allowance during 2025 was also impacted by net charge-offs of $16.9 million. Of the $16.9 million of net charge-offs at December 31, 2025, $11.5

million was comprised of three credit relationships associated with commercial and industrial loans within the auto note financing industry subsector.

During 2024, the provision for credit losses reflected a build in the allowance related to specific reserves since December 31, 2023, significantly offset by both the change in the U.S. economic outlook and changes in the collectively evaluated loan portfolio within the banking segment. Specific to the Bank, the net impact to the allowance of changes associated with individually evaluated loans included a provision for credit losses of $15.2 million, while collectively evaluated loans during 2024 included a reversal of credit losses of $14.2 million. The change in the allowance for credit losses during 2024 was primarily attributable to the Bank and also reflected other factors including, but not limited to, loan mix, and changes in loan balances and qualitative factors from the prior year. The change in the allowance during 2024 was also impacted by net charge-offs of $11.2 million.

During 2023, the increase in provision for credit losses reflected a build in the allowance related to loan portfolio changes since December 31, 2022 and a deteriorating outlook for commercial real estate markets. Specific to the Bank, the net impact to the allowance of changes associated with collectively evaluated loans included a provision for credit losses of $12.7 million, while individually evaluated loans during 2023 included a provision for credit losses of $5.8 million. The change in the allowance for credit losses during 2023 was primarily attributable to the Bank and also reflected other factors including, but not limited to, loan mix, and changes in loan balances and qualitative factors from the prior year. The change in the allowance during 2023 was also impacted by net charge-offs of $2.4 million.

Changes in the allowance for credit losses for loans held for investments, distributed by portfolio segment, are shown below (in thousands).

Year Ended December 31, 2025	Balance, Beginning of Year	Provision for (Reversal of) Credit Losses	Loans Charged Off	Recoveries on Charged Off Loans	Balance, End of Year
Commercial real estate:					
Non-owner occupied	$ 29,310	$ (4,127)	$ (918)	$ —	$ 24,265
Owner occupied	33,112	1,052	(148)	19	34,035
Commercial and industrial	25,609	11,183	(16,833)	1,321	21,280
Construction and land development	7,161	445	(276)	68	7,398
1-4 family residential	5,327	(1,214)	(6)	29	4,136
Consumer	547	(4)	(278)	132	397
Broker-dealer	50	(24)	—	—	26
Total	$ 101,116	$ 7,311	$ (18,459)	$ 1,569	$ 91,537

Year Ended December 31, 2024	Balance, Beginning of Year	Provision for (Reversal of) Credit Losses	Loans Charged Off	Recoveries on Charged Off Loans	Balance, End of Year
Commercial real estate:					
Non-owner occupied	$ 40,061	$ (9,104)	$ (1,647)	$ —	$ 29,310
Owner occupied	28,114	4,849	—	149	33,112
Commercial and industrial	20,926	14,520	(11,865)	2,028	25,609
Construction and land development	12,102	(4,943)	—	2	7,161
1-4 family residential	9,461	(4,302)	(2)	170	5,327
Consumer	648	(28)	(284)	211	547
Broker-dealer	101	(51)	—	—	50
Total	$ 111,413	$ 941	$ (13,798)	$ 2,560	$ 101,116

Year Ended December 31, 2023	Balance, Beginning of Year	Provision for (Reversal of) Credit Losses	Loans Charged Off	Recoveries on Charged Off Loans	Balance, End of Year
Commercial real estate:					
Non-owner occupied	$ 39,247	$ 806	$ (34)	$ 42	$ 40,061
Owner occupied	24,008	5,042	(977)	41	28,114
Commercial and industrial	16,035	6,334	(4,888)	3,445	20,926
Construction and land development	6,051	6,052	(1)	—	12,102
1-4 family residential	9,313	86	(73)	135	9,461
Consumer	554	205	(387)	276	648
Broker-dealer	234	(133)	—	—	101
Total	$ 95,442	$ 18,392	$ (6,360)	$ 3,939	$ 111,413

Unfunded Loan Commitments

The Bank uses a process similar to that used in estimating the allowance for credit losses on the funded portion to estimate the allowance for credit loss on unfunded loan commitments. The allowance is based on the estimated exposure at default, multiplied by the lifetime PD grade and LGD grade for that particular loan segment. The Bank estimates expected losses by calculating a commitment usage factor based on industry usage factors. The commitment usage factor is applied over the relevant contractual period. Loss factors from the underlying loans to which commitments are related are applied to the results of the usage calculation to estimate any liability for credit losses related for each loan type. The expected losses on unfunded commitments align with statistically calculated parameters used to calculate the allowance for credit losses on the funded portion. There is no reserve calculated for letters of credit as they are issued primarily as credit enhancements and the likelihood of funding is low.

Changes in the allowance for credit losses for loans with off-balance sheet credit exposures are shown below (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 7,918	$ 8,876	$ 7,784
Other noninterest expense	1,484	(958)	1,092
Balance, end of year	$ 9,402	$ 7,918	$ 8,876

During 2025, the increase in the allowance for unfunded commitments was due to increases in commitment balances, partially offset by decreases in loan expected loss rates. During 2024, the decrease in the allowance for unfunded commitments was primarily due to decreases in commitment balances and loan expected loss rates, while during 2023, the increase in the allowance for unfunded commitments was due to increases in loan expected loss rates.

7. Cash and Due from Banks

Cash and due from banks consisted of the following (in thousands).

	December 31,	
	2025	2024
Cash on hand	$ 38,887	$ 38,224
Clearings and collection items	54,030	69,388
Deposits at Federal Reserve Bank	1,024,011	2,052,600
Deposits at Federal Home Loan Bank	1,613	1,523
Deposits in FDIC-insured institutions	113,403	137,242
	$ 1,231,944	$ 2,298,977

The amounts above include interest-bearing deposits of $1.0 billion and $2.1 billion at December 31, 2025 and 2024, respectively. Cash on hand and deposits at the Federal Reserve Bank satisfy regulatory reserve requirements at December 31, 2025 and 2024.

8. Premises and Equipment

The components of premises and equipment are summarized as follows (in thousands).

	December 31,	
	2025	2024
Land and premises	$ 118,776	$ 121,934
Furniture and equipment	285,810	283,352
	404,586	405,286
Less accumulated depreciation and amortization	(271,766)	(257,041)
	$ 132,820	$ 148,245

The amounts shown above include gross assets recorded under finance leases of $4.8 million and $4.8 million, with accumulated amortization of $4.4 million and $4.0 million at December 31, 2025 and 2024, respectively.

Occupancy expense was reduced by rental income of $1.5 million, $2.2 million and $2.6 million during 2025, 2024 and 2023, respectively. Depreciation and amortization expense on premises and equipment, which includes amortization of finance leases, amounted to $18.1 million, $22.7 million and $23.3 million during 2025, 2024 and 2023, respectively.

9. Goodwill and Other Intangible Assets

At December 31, 2025, the carrying amount of goodwill of $267.4 million was comprised of $39.6 million recorded in connection with the acquisition of The Bank of River Oaks ("BORO") in an all-cash transaction ("BORO Acquisition") and $227.8 million recorded in connection with the acquisition of PCC pursuant to a plan of merger whereby PCC merged with and into a wholly owned subsidiary (the "PlainsCapital Merger"). The banking, mortgage origination and broker-dealer business segments have been assigned goodwill of $247.4 million, $13.1 million and $7.0 million, respectively.

Other intangible assets were $5.6 million and $6.6 million at December 31, 2025 and 2024, respectively.

The Company performed required annual impairment tests of its goodwill and other intangible assets having an indefinite useful life as of October 1st for each of its reportable business segments. At October 1, 2025, the Company determined that the estimated fair value of goodwill for each of its business segments and other intangible assets exceeded their carrying values. The Company estimated the fair values of goodwill for its business segments based on both a market and income approach using historical, normalized actual and forecasted results, taking into consideration the amount by which fair value exceeded book value and sensitivities performed. Based on this evaluation, at December 31, 2025, the Company concluded that the goodwill and other identifiable intangible assets were fully realizable.

The Company's evaluation includes multiple assumptions, including estimated discounted cash flows and other estimates that may change over time. If future discounted cash flows become less than those projected by the Company, future non-cash impairment charges may become necessary that could have a materially adverse impact on the Company's results of operations and financial condition. Such a charge would have no impact on tangible capital or regulatory capital. As quoted market prices in active stock markets are relevant evidence of fair value, a significant decline in the Company's common stock trading price may indicate an impairment of goodwill.

To the extent future operating performance of the Company's reporting segments remain challenged and below forecasted projections during 2026, significant assumptions such as expected future cash flows or the risk-adjusted discount rate used to estimate fair value are adversely impacted, or upon the occurrence of what management would deem to be a triggering event that could, under certain circumstances, cause the Company to perform impairment tests on its goodwill and other intangible assets, an impairment charge may be recorded for that period.

While certain valuation assumptions and judgments may change to account for operating performance of the reporting segments and overall economic conditions, the Company does not anticipate significant changes in methodology used to determine the fair value of its goodwill, intangible assets and other long-lived assets. The Company will continue to

monitor developments regarding future operating performance of its business segments, overall economic conditions, market capitalization, and any other triggering events or circumstances that may indicate an impairment in the future.

The carrying value of intangible assets subject to amortization was as follows (in thousands).

December 31, 2025	Estimated Useful Life (Years)	Gross Intangible Assets	Accumulated Amortization	Net Intangible Assets
Trademarks and trade names	20	16,500	(11,312)	5,188
Customer contracts and relationships	12 - 14	15,300	(14,883)	417
		$ 31,800	$ (26,195)	$ 5,605

December 31, 2024	Estimated Useful Life (Years)	Gross Intangible Assets	Accumulated Amortization	Net Intangible Assets
Core deposits	4 - 12	$ 48,930	$ (48,930)	$ —
Trademarks and trade names	20	16,500	(10,562)	5,938
Customer contracts and relationships	12 - 14	15,300	(14,605)	695
		$ 80,730	$ (74,097)	$ 6,633

Amortization expense related to intangible assets during 2025, 2024 and 2023 was $1.0 million, $1.8 million and $2.9 million, respectively. The estimated aggregate future amortization expense for intangible assets at December 31, 2025 is as follows (in thousands).

2026	$ 959
2027	889
2028	820
2029	750
2030	750
Thereafter	1,437
	$ 5,605

10. Mortgage Servicing Rights

The following tables present the changes in fair value of the Company's MSR asset and other information related to the serviced portfolio (dollars in thousands).

	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 5,723	$ 96,662	$ 100,825
Additions	13,971	11,412	27,359
Sales	—	(87,268)	(19,055)
Changes in fair value:			
Due to changes in model inputs or assumptions [1]	(1,351)	(11,331)	(7,848)
Due to customer payoffs	(852)	(3,752)	(4,619)
Balance, end of year	$ 17,491	$ 5,723	$ 96,662

	December 31, 2025	December 31, 2024
Mortgage loans serviced for others [2]	$ 1,145,063	$ 358,880
MSR asset as a percentage of serviced mortgage loans	1.53 %	1.59 %

(1) Primarily represents normal customer payments, the impact of changes in interest rates, changes in discount rates and prepayment speed assumptions, and the refinement of other MSR model assumptions. Included in 2024 are MSR asset fair value adjustments totaling $12.3 million, which reflected the difference between the MSR asset carrying values and the sale prices reflected in the respective signed letters of intent to sell certain MSR assets.

(2) Represents unpaid principal balance of mortgage loans serviced for others.

The key assumptions used in measuring the fair value of the Company's MSR asset were as follows.

	December 31, 2025	December 31, 2024
Weighted average constant prepayment rate	14.68 %	10.10 %
Weighted average discount rate	11.45 %	14.89 %
Weighted average life (in years)	5.8	7.8

A sensitivity analysis of the fair value of the Company's MSR asset to certain key assumptions is presented in the following table (in thousands).

	December 31, 2025	December 31, 2024
Constant prepayment rate:		
Impact of 10% adverse change	$ (899)	$ (220)
Impact of 20% adverse change	(1,714)	(426)
Discount rate:		
Impact of 10% adverse change	(651)	(294)
Impact of 20% adverse change	(1,253)	(557)

This sensitivity analysis presents the effect of hypothetical changes in key assumptions on the fair value of the MSR asset. The effect of such hypothetical changes in assumptions generally cannot be extrapolated because the relationship of the change in one key assumption to the change in the fair value of the MSR asset is not linear. In addition, in the analysis, the impact of an adverse change in one key assumption is calculated independent of any impact on other assumptions. In reality, changes in one assumption may change another assumption.

Contractually specified servicing fees, late fees and ancillary fees earned of $3.4 million, $22.1 million and $31.9 million during 2025, 2024 and 2023, respectively, were included in net gains from sale of loans and other mortgage production income within the consolidated statements of operations.

11. Deposits

Deposits are summarized as follows (in thousands).

	December 31,	
	2025	2024
Noninterest-bearing demand	$ 2,831,919	$ 2,768,707
Interest-bearing:		
Demand accounts	4,202,031	4,218,225
Brokered - demand	3,000	4,722
Money market	2,436,713	2,592,508
Brokered - money market	12,288	10,451
Savings	225,612	221,667
Time	1,166,517	1,249,042
	$ 10,878,080	$ 11,065,322

At December 31, 2025, time deposits in denominations that exceed the FDIC insurance limit of $250,000 were $577.5 million.

Scheduled maturities of all time deposits at December 31, 2025 are as follows (in thousands).

2026	$ 1,074,783
2027	32,854
2028	50,842
2029	4,524
2030 and thereafter	3,514
	$ 1,166,517

12. Short-term Borrowings

Short-term borrowings are summarized as follows (in thousands).

	December 31,	
	2025	2024
Federal funds purchased	$ 153,208	$ 407,058
Securities sold under agreements to repurchase	269,309	198,418
Federal Home Loan Bank	—	—
Short-term bank loans	—	—
Commercial paper	254,365	228,547
	$ 676,882	$ 834,023

Federal Funds Purchased and Securities Sold under Agreements to Repurchase

Federal funds purchased and securities sold under agreements to repurchase generally mature one to ninety days from the transaction date, on demand, or on some other short-term basis. The Bank and the Hilltop Broker-Dealers execute transactions to sell securities under agreements to repurchase with both customers and other broker-dealers. Securities involved in these transactions are held by the Bank, the Hilltop Broker-Dealers or a third-party dealer.

Information concerning federal funds purchased is shown in the following tables (dollars in thousands).

	Year Ended December 31,		
	2025	2024	2023
Average balance during the year	$ 507,045	$ 733,799	$ 804,515
Average interest rate during the year	4.53 %	5.36 %	5.53 %
Maximum month-end balance during the year	$ 474,518	$ 798,149	$ 1,341,502

Information concerning securities sold under agreements to repurchase is shown in the following tables (dollars in thousands).

	December 31,	
	2025	2024
Average interest rate at end of year	4.25 %	5.06 %
Securities underlying the agreements at end of year:		
Carrying value	$ 268,805	$ 198,174
Estimated fair value	$ 292,493	$ 214,538

Federal Home Loan Bank ("FHLB")

FHLB short-term borrowings mature over terms not exceeding 365 days and are collateralized by FHLB Dallas stock, nonspecified real estate loans and certain specific commercial real estate loans. At December 31, 2025, the Bank had available collateral of $4.4 billion, substantially all of which was blanket collateral. Other information regarding FHLB short-term borrowings is shown in the following table (dollars in thousands).

	Year Ended December 31,		
	2025	2024	2023
Average balance during the year	$ —	$ —	$ 135,274
Average interest rate during the year	4.54 %	5.62 %	5.10 %
Maximum month-end balance during the year	$ —	$ —	$ 500,000

	December 31,	
	2025	2024
Average interest rate at end of year	— %	— %

Short-Term Bank Loans

The Hilltop Broker-Dealers use short-term bank loans periodically to finance securities owned, margin loans to customers and correspondents, and underwriting activities. Interest on the borrowings varies with the federal funds rate. At December 31, 2025, Hilltop Securities had credit arrangements with two unaffiliated banks, with maximum aggregate commitments of up to $425.0 million. These credit arrangements are used to finance securities owned, securities held for correspondent accounts, receivables in customer margin accounts and underwriting activities. These credit arrangements are provided on an "as offered" basis and are not committed lines of credit. In addition, Hilltop Securities has committed revolving credit facilities with two unaffiliated banks, with aggregate availability of up to $125.0 million. There were no outstanding short-term bank loans at December 31, 2025 and 2024.

Commercial Paper

Hilltop Securities uses the net proceeds (after deducting related issuance expenses) from the sale of two commercial paper programs for general corporate purposes, including working capital and the funding of a portion of its securities inventories. The commercial paper notes ("CP Notes") may be issued with maturities of 14 days to 270 days from the date of issuance. The CP Notes are issued under two separate programs, Series 2019-2 CP Notes and Series 2024-1 CP, in maximum aggregate amounts of $200 million and $300 million, respectively. The CP Notes are not redeemable prior

to maturity or subject to voluntary prepayment and do not bear interest, but are sold at a discount to par. The CP Notes are secured by a pledge of collateral owned by Hilltop Securities.

As of December 31, 2025, the weighted average maturity of the CP Notes was 145 days at a rate of 4.45%, with a weighted average remaining life of 67 days. At December 31, 2025, the aggregate amount outstanding under these secured arrangements was $254.4 million, which was collateralized by securities held for Hilltop Securities accounts valued at $279.0 million.

13. Notes Payable

Notes payable consisted of the following (in thousands).

	December 31,	
	2025	2024
Senior Notes paid off January 2025, net of discount of $295 at December 31, 2024	$ —	$ 149,705
Subordinated Notes paid off May 2025, net of discount of $405 at December 31, 2024	—	49,596
Subordinated Notes due May 2035, net of discount of $1,413 and $1,634, respectively	148,587	148,366
	$ 148,587	$ 347,667

Senior Notes

On April 9, 2015, Hilltop completed an offering of $150.0 million aggregate principal amount of its 5% senior notes due April 15, 2025 ("Senior Unregistered Notes") in a private offering that was exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The Senior Unregistered Notes were offered within the United States only to qualified institutional buyers pursuant to Rule 144A under the Securities Act, and to persons outside of the United States under Regulation S under the Securities Act. The Senior Unregistered Notes were issued pursuant to an indenture ("Senior Notes Indenture"), dated as of April 9, 2015, by and between Hilltop and U.S. Bank National Association, as trustee. The net proceeds from the offering, after deducting estimated fees and expenses and the initial purchasers' discounts, were approximately $148 million. Hilltop used the net proceeds of the offering to redeem all of Hilltop's outstanding Non-Cumulative Perpetual Preferred Stock, Series B at an aggregate liquidation value of $114.1 million, plus accrued but unpaid dividends of $0.4 million, and Hilltop utilized the remainder for general corporate purposes. Unamortized debt issuance costs presented as a reduction from the Senior Notes are discussed further in Note 1 to the consolidated financial statements.

In connection with the issuance of the Senior Unregistered Notes, on April 9, 2015, the Company entered into a registration rights agreement with the initial purchasers of the Senior Unregistered Notes. Under the terms of the registration rights agreement, the Company agreed to offer to exchange the Senior Unregistered Notes for notes registered under the Securities Act (the "Senior Registered Notes"). The terms of the Senior Registered Notes are substantially identical to the Senior Unregistered Notes for which they were exchanged (including principal amount, interest rate, maturity and redemption rights), except that the Senior Registered Notes generally are not subject to transfer restrictions. On May 22, 2015 and subject to the terms and conditions set forth in the Senior Registered Notes prospectus, the Company commenced an offer to exchange the Senior Unregistered Notes for Senior Registered Notes. Substantially all of the Senior Unregistered Notes were tendered in the exchange offer, and on June 22, 2015, the Company fulfilled its requirements under the registration rights agreement for the Senior Unregistered Notes by issuing Senior Registered Notes in exchange for the tendered Senior Unregistered Notes. The Senior Registered Notes and the Senior Unregistered Notes that remained outstanding are collectively referred to as the "Senior Notes."

On January 15, 2025 (the "Senior Notes Redemption Date"), Hilltop redeemed, at its election, all of its outstanding Senior Notes at a redemption price equal to 100% of the principal amount of $150 million, plus accrued and unpaid interest to, but excluding, the Senior Notes Redemption Date using cash on hand, which also satisfied and discharged the Company's obligations under the Senior Notes and the Senior Notes Indenture.

Subordinated Notes

On May 7, 2020, Hilltop completed a public offering of $50 million aggregate principal amount of 5.75% fixed-to-floating rate subordinated notes due May 15, 2030 (the "2030 Subordinated Notes") and $150 million aggregate principal amount of 6.125% fixed-to-floating rate subordinated notes due May 15, 2035 (the "2035 Subordinated Notes") (collectively, the "Subordinated Notes"). The price for the Subordinated Notes was 100% of the principal amount of the Subordinated Notes. The net proceeds from the offering, after deducting underwriting discounts and fees and expenses of $3.4 million, were $196.6 million.

On May 15, 2025 (the "2030 Subordinated Notes Redemption Date"), Hilltop redeemed, at its election, all of its outstanding 2030 Subordinated Notes at a redemption price equal to 100% of the principal amount of $50 million, plus accrued and unpaid interest to, but excluding, the 2030 Subordinated Notes Redemption Date using cash on hand, which also satisfied and discharged the Company's obligations under the 2030 Subordinated Notes and the First Supplemental Indenture.

The 2035 Subordinated Notes will mature on May 15, 2035. Hilltop may redeem the 2035 Subordinated Notes, in whole or in part, from time to time, subject to obtaining regulatory approval, beginning with the interest payment date of May 15, 2030, at a redemption price equal to 100% of the principal amount of the 2035 Subordinated Notes being redeemed plus accrued and unpaid interest to but excluding the date of redemption.

The 2035 Subordinated Notes bear interest at the rate of 6.125% per year, payable semi-annually in arrears commencing on November 15, 2020. The interest rate for the 2035 Subordinated Notes will reset quarterly beginning May 15, 2030 to an interest rate, per year, equal to the then-current benchmark rate, which is expected to be three-month term SOFR rate plus 5.80%, payable quarterly in arrears.

Federal Home Loan Bank notes

The FHLB notes, as well as other borrowings from the FHLB, are collateralized by FHLB stock, a blanket lien on commercial and real estate loans, as well as by the amount of securities that are in safekeeping at the FHLB.

Ventures Management Lines of Credit

At December 31, 2025, Ventures Management's ABAs had combined available lines of credit totaling $65.0 million, all of which was with the Bank. At December 31, 2025, Ventures Management had outstanding borrowings of $31.6 million, all of which have been eliminated in consolidation in the table presented above, with stated interest rates ranging from the greater of a 6.00% floor or The Wall Street Journal Prime Rate minus 50 basis points. The weighted average interest rate of these lines of credit at December 31, 2025 was 6.10%. The Ventures Management lines of credit are collateralized by mortgage notes, and the loan agreements relating to the lines of credit contain various financial and other covenants which must be maintained until all indebtedness to the financial institution is repaid.

Scheduled Maturities

Scheduled maturities for notes payable outstanding at December 31, 2025 are as follows (in thousands).

2026	$ —
2027	—
2028	—
2029	—
2030	—
Thereafter	150,000
	$ 150,000

14. Leases

Hilltop and its subsidiaries lease space, primarily for corporate offices, branch facilities and automated teller machines, under both operating and finance leases. Certain of the Company's leases have options to extend, with the longest extension option being ten years, and some of the Company's leases include options to terminate within one year. The Company's leases contain customary restrictions and covenants. The Company has certain intercompany leases and subleases between its subsidiaries, and these transactions and balances have been eliminated in consolidation and are not reflected in the tables and information presented below.

Supplemental balance sheet information related to finance leases is as follows (in thousands).

	December 31,	
	2025	2024
Finance leases:		
Premises and equipment	$ 4,780	$ 4,780
Accumulated depreciation	(4,377)	(4,042)
Premises and equipment, net	$ 403	$ 738

Operating lease rental cost and finance lease amortization of ROU assets is included within occupancy and equipment, net in the consolidated statements of operations. Finance lease interest expense is included within other interest expense in the consolidated statements of operations. The Company does not generally enter into leases which contain variable payments, other than due to the passage of time.

The components of lease costs, including short-term lease costs, are as follows (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Operating lease cost	$ 32,115	$ 33,658	$ 34,606
Less operating lease and sublease income	(1,479)	(2,215)	(2,585)
Net operating lease cost	$ 30,636	$ 31,443	$ 32,021
Finance lease cost:			
Amortization of ROU assets	$ 335	$ 505	$ 590
Interest on lease liabilities	276	352	424
Total finance lease cost	$ 611	$ 857	$ 1,014

Supplemental cash flow information related to leases is as follows (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 31,953	$ 33,200	$ 36,629
Operating cash flows from finance leases	283	358	427
Financing cash flows from finance leases	603	805	852
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	$ 17,270	$ 27,403	$ 13,506
Finance leases	—	—	—

Information regarding the lease terms and discount rates of the Company's leases is as follows.

	December 31, 2025		December 31, 2024	
Lease Classification	**Weighted Average Remaining Lease Term (Years)**	**Weighted Average Discount Rate**	**Weighted Average Remaining Lease Term (Years)**	**Weighted Average Discount Rate**
Operating	4.9	5.87 %	5.3	5.74 %
Finance	1.9	4.99 %	2.7	5.08 %

Future minimum lease payments, under lease agreements as of December 31, 2025, are presented below (in thousands).

	Operating Leases	Finance Leases
2026	$ 29,181	$ 813
2027	24,270	448
2028	18,977	149
2029	16,286	—
2030	13,539	—
Thereafter	13,021	—
Total minimum lease payments	115,274	1,410
Less amount representing interest	(15,119)	(282)
Lease liabilities	$ 100,155	$ 1,128

As of December 31, 2025, the Company had no additional operating leases that have not yet commenced.

15. Income Taxes

The significant components of the income tax provision are as follows (in thousands).

	Year Ended December 31,		
	2025	**2024**	**2023**
Current:			
Federal	$ 41,733	$ 48,686	$ 19,681
State	1,871	1,896	4,455
	43,604	50,582	24,136
Deferred:			
Federal	$ 5,653	$ (16,262)	$ 6,131
State	(213)	(3,273)	873
	5,440	(19,535)	7,004
	$ 49,044	$ 31,047	$ 31,140

The income tax provision differs from the amount that would be computed by applying the statutory federal income tax rate to income before income taxes as a result of the following (in thousands). The applicable corporate federal income tax rate was 21% for all periods presented.

	Year Ended December 31,					
	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
Computed tax at federal statutory rate	$ 46,423	21.0	$ 32,394	21.0	$ 31,315	21.0
State and local income tax, net of federal income tax effect [1]	1,440	0.7	(990)	(0.6)	4,938	3.3
Nontaxable or nondeductible items:						
Tax-exempt income, net	(2,701)	(1.2)	(2,225)	(1.4)	(2,390)	(1.6)
Compensation limitation	1,557	0.7	1,880	1.2	2,918	2.0
Share-based compensation expense (benefit)	64	—	244	0.2	(1,721)	(1.2)
Minority interest	(1,350)	(0.6)	(2,099)	(1.4)	(1,877)	(1.3)
Other	1,636	0.7	1,663	1.0	1,951	1.3
Changes in unrecognized tax benefits:						
Reserve for uncertain positions	(129)	(0.1)	(326)	(0.2)	(315)	(0.2)
Changes in unrecognized tax benefits:						
Changes in accumulated tax reserves - federal	—	—	—	—	(6,330)	(4.2)
Other	2,104	1.0	506	0.3	2,651	1.8
	$ 49,044	22.2	$ 31,047	20.1	$ 31,140	20.9

(1) The state and local jurisdictions that comprise the majority (greater than 50%) of the state and local income tax reconciling items for 2025 included New York, California, New York City and New Jersey, for 2024 included New York, California, South Carolina, Maryland, New York City and Illinois, and for 2023 included California, Texas, New York, Illinois, New York City, Minnesota and New Jersey.

The effective tax rate for 2025 was higher than the applicable statutory rate due to the impact of nondeductible expenses, nondeductible compensation expense and other permanent adjustments, partially offset by investments in tax-exempt instruments, state refund claims and return to provision activity. The effective tax rate for 2024 was lower than the applicable statutory rate due to investments in tax-exempt instruments, state refund claims and return to provision activity, partially offset by the impact of nondeductible expenses, nondeductible compensation expense and other permanent adjustments. The effective tax rate for 2023 was lower than the applicable statutory rate due to the impacts of excess tax benefits on share-based payment awards, investments in tax-exempt instruments and changes in accumulated tax reserves, partially offset by nondeductible expenses and the booking of additional taxes from a recent change in the source of funding for an acquired non-qualified, deferred compensation plan.

The following table presents cash paid for income taxes, net of refunds by jurisdiction for all periods presented (in thousands). No state jurisdiction exceeded 5% of total income taxes paid, net of refunds, for all periods presented.

	Year Ended December 31,		
	2025	2024	2023
Cash paid for federal income taxes, net of refunds	$ 57,443	$ 45,382	$ 19,057
Cash paid for (received by) state income taxes, net of refunds	3,632	(1,154)	3
Total cash paid for income taxes, net of refunds	$ 61,075	$ 44,228	$ 19,060

The components of the tax effects of temporary differences that give rise to the net deferred tax asset included in other assets within the consolidated balance sheets are as follows (in thousands).

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss carryforward	$ 1,174	$ 903
Purchase accounting adjustment - loans	3,155	3,629
Allowance for credit losses	22,069	23,881
Compensation and benefits	14,805	13,300
Legal and other reserves	3,852	3,467
Net unrealized losses on securities and other investments	23,664	32,939
Operating lease liabilities	23,133	24,932
Other	2,738	2,569
	94,590	105,620
Deferred tax liabilities:		
Premises and equipment	8,166	9,551
Intangible assets	1,283	1,504
Derivatives	1,350	612
Loan servicing	4,000	1,180
Operating lease ROU assets	19,343	20,701
Deferred loan fees	8,156	7,416
Other	3,677	1,327
	45,975	42,291
Net deferred tax asset	$ 48,615	$ 63,329

At December 31, 2025 and 2024, the Company had net operating loss carryforwards for state income tax purposes of $1.2 million and $0.9 million, respectively, on a tax effected basis at applicable rates for respective tax years. These net operating loss carryforwards expire in 2037 and later years. The net operating loss carryforwards are expected to be fully realized prior to any expiration. Further, at December 31, 2025 and 2024, the Company had no net operating loss carryforwards for federal income tax purposes.

Based on the Company's evaluation of its deferred tax assets, management determined that no valuation allowance against its gross deferred tax assets was necessary at December 31, 2025 or 2024.

GAAP requires the measurement of uncertain tax positions. Uncertain tax positions are the difference between a tax position taken, or expected to be taken, in a tax return and the benefit recognized for accounting purposes. At December 31, 2025 and 2024, the total amount of gross unrecognized tax benefits was $2.2 million and $2.4 million, respectively, of which $1.8 million and $1.9 million, respectively, if recognized, would favorably impact the Company's effective tax rate.

The aggregate changes in gross unrecognized tax benefits, which excludes interest and penalties, are as follows (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 2,395	$ 2,884	$ 5,273
Increases related to tax positions taken during a prior year	250	—	—
Decreases related to tax positions taken during a prior year	—	(46)	(1,719)
Increases related to tax positions taken during the current year	469	221	266
Decreases related to expiration of the statute of limitations	(881)	(664)	(936)
Balance, end of year	$ 2,233	$ 2,395	$ 2,884

Specific positions that may be resolved include issues involving apportionment and tax credits. At December 31, 2025, the unrecognized tax benefit is a component of taxes receivable, which is included in other assets within the consolidated balance sheet.

The Company files income tax returns in U.S. federal and numerous state jurisdictions. The Company is subject to tax examinations in numerous jurisdictions in the United States until the applicable statute of limitations expires. The Company is no longer subject to U.S. federal tax examinations for tax years prior to 2022. The Company is open for various state tax examinations for tax years 2021 and later.

On July 4, 2025, legislation referred to as "H.R. 1: One Big Beautiful Bill Act" ("OBBBA") was signed into law and, among other changes, will modify the tax year in which certain business deductions, primarily depreciation of capital asset additions, are allowed and therefore will influence the time within which income tax payments must be made. The Company presently expects the permanent disallowance of certain business expenses under the OBBBA and related rules will increase the Company's future effective income tax rate slightly.

16. Employee Benefits

Hilltop and its subsidiaries have benefit plans that provide for elective deferrals by employees under Section 401(k) of the Internal Revenue Code. Employee contributions are determined by the level of employee participation and related salary levels per Internal Revenue Service regulations. Hilltop and its subsidiaries match a portion of employee contributions based on the amount of eligible employees' contributions and salaries. The amount charged to operating expense for these matching contributions totaled $13.5 million, $13.3 million and $10.4 million during 2025, 2024 and 2023, respectively.

The Company's Hilltop Holdings Inc. Employee Stock Purchase Plan (the "ESPP") provides a means for eligible employees of the Company to purchase shares of Hilltop common stock at a discounted price by accumulating funds, normally through payroll deductions and is intended to qualify under Section 423 of the Internal Revenue Code. Participating employees may purchase shares of common stock at 90% of the fair market value on the last day of each quarterly offering period. The amount charged to operating expense related to participant discount totaled $0.4 million, $0.4 million and $0.6 million during 2025, 2024 and 2023, respectively.

The Bank purchased $15.0 million of flexible premium universal life insurance in 2001 to help finance the annual expense incurred in providing various employee benefits. At December 31, 2025 and 2024, the carrying value of the policies included in other assets was $28.9 million and $29.0 million, respectively. During each of 2025, 2024 and 2023, the Bank recorded income of $0.8 million, $0.6 million and $0.5 million, respectively, related to the policies that was reported in other noninterest income within the consolidated statement of operations.

Deferred Compensation Plan

As a result of the SWS Merger, the Company assumed a deferred compensation plan (the "SWS Plan") that allowed former SWS eligible officers and employees to defer a portion of their bonus compensation and commissions. The SWS Plan was formally terminated in September 2022 and fully liquidated during the second quarter of 2024. The SWS Plan matched 15% of the deferrals made by participants up to a predetermined limit through matching contributions that vest ratably over four years. Pursuant to the terms of the SWS Plan, the trustee periodically purchased the former SWS common stock in the open market. As a result of the SWS Merger, the former SWS common shares were converted into Hilltop common stock based on the terms of the merger agreement.

The assets of the SWS Plan were held in a rabbi trust and primarily include investments in company-owned life insurance ("COLI") and Hilltop common stock. These assets were consolidated with those of the Company. Prior to being fully liquidated during 2024, investments in COLI were carried at the cash surrender value of the insurance policies and recorded in other assets within the consolidated balance sheet. Investments in Hilltop common stock, which

were carried at cost, and the corresponding liability related to the deferred compensation plan are presented as components of stockholders' equity as employee stock trust and deferred compensation employee stock trust, net.

17. Related Party Transactions

Jeremy B. Ford, Chairman of the Board, President and Chief Executive Officer of Hilltop, is the beneficiary of a trust that owns a 49% limited partnership interest in Diamond A Financial, L.P., which owned 26.1% of the outstanding Hilltop common stock at December 31, 2025.

Gerald J. Ford is a principal stockholder of the Company through his beneficial ownership of shares of common stock that are held by Diamond A Financial, LP. Gerald J. Ford is the sole member of Diamond HTH Stock Company GP, LLC, which is the sole general partner of Diamond HTH Stock Company, LP, which is the sole general partner of Diamond A Financial, LP. Gerald J. Ford is the sole limited partner of Diamond HTH Stock Company, LP.

Jeremy B. Ford is the son of Gerald J. Ford. Jeremy B. Ford and Corey G. Prestidge, Hilltop's General Counsel and Secretary, are brothers-in-law.

In the ordinary course of business, the Bank has granted loans to certain directors, executive officers and their affiliates (collectively referred to as related parties). At December 31, 2025 there were no related party loans outstanding compared to $0.5 million at December 31, 2024. These loans were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other unaffiliated persons and do not involve more than normal risk of collectability. For such loans during 2025, there were no principal additions and payments totaled $0.5 million.

At December 31, 2025 and 2024, the Bank held deposits of related parties of $182.0 million and $79.3 million, respectively. Additionally, Hilltop Securities had cash and margin accounts associated with related parties of $2.3 million and $0.4 million at December 31, 2025 and 2024, respectively.

A former related party is the lessor in an operating lease with Hilltop. Hilltop's minimum payment under the lease is currently $0.6 million annually through 2028, for an aggregate minimum remaining obligation of $1.9 million at December 31, 2025.

Hilltop Plaza Investment

On July 31, 2018, Hillcrest Land LLC purchased approximately 1.7 acres of land in the City of University Park, Texas for $38.5 million. Hillcrest Land LLC is owned equally between Hilltop Investments I, LLC, a wholly owned entity of Hilltop, and Diamond Ground, LLC, an affiliate of Gerald J. Ford. Each of Hilltop Investments I, LLC and Diamond Ground, LLC contributed $19.3 million to Hillcrest Land LLC to complete the purchase. As the voting rights of Hillcrest Land LLC are shared equally between the Company and Diamond Ground, LLC, there is no primary beneficiary, and Diamond Ground, LLC's interest in Hillcrest Land LLC has been reflected as a noncontrolling interest in the Company's consolidated financial statements. Therefore, the Company has consolidated Hillcrest Land LLC under the VIE model according to the "most-closely associated" test. Trusts for which Jeremy Ford and the wife of Corey Prestidge are a beneficiary own 10.2% and 10.1%, respectively, of Diamond Ground, LLC.

In connection with the purchase of the land, Hillcrest Land LLC entered into a 99-year ground lease of the land with three tenants-in-common: SPC Park Plaza Partners LLC ("Park Plaza LLC"), an unaffiliated entity which received an undivided 50% leasehold interest; HTH Project LLC, a wholly owned subsidiary of Hilltop, which received an undivided 25% leasehold interest; and Diamond Hillcrest, LLC ("Diamond Hillcrest"), an entity owned by Gerald J. Ford, which received an undivided 25% leasehold interest (collectively, the "Co-Owners"). The ground lease was classified as an operating lease under ASC 840, and the accounting commencement date was determined to be July 31, 2018, the date the land was available to the Co-Owners.

Concurrent with the ground lease, the Co-Owners entered into an agreement to purchase the improvements of a mixed-use project containing a six-story building ("Hilltop Plaza"). HTH Project LLC and Diamond Hillcrest each own an undivided 25% interest in Hilltop Plaza. Park Plaza LLC owns the remaining undivided 50% interest in Hilltop Plaza. Park Plaza LLC has agreed to serve as the Co-Owner property manager under the Co-Owners Agreement; however, certain actions require unanimous approval of all Co-Owners. HTH Project LLC's undivided interest in Hilltop Plaza is accounted for as an equity method investment as the tenants-in-common have joint control over decisions regarding Hilltop Plaza. The investment is included within other assets in the consolidated balance sheets and any income (loss) is included within other noninterest income in the consolidated statements of operations.

Hilltop and the Bank entered into separate 129-month office leases with an accounting commencement date of June 20, 2019 for a significant portion of the total rentable corporate office space in Hilltop Plaza, which serves as the headquarters for both companies.

All intercompany transactions associated with the Hilltop Plaza investment and the related transactions discussed above are eliminated in consolidation.

18. Commitments and Contingencies

During 2025, the Bank acted as agent on behalf of certain correspondent banks in the purchase and sale of federal funds. At December 31, 2025 and 2024, the Bank did not have any federal funds sold acting as an agent.

Legal Matters

The Company is subject to loss contingencies related to litigation, claims, investigations and legal and administrative cases and proceedings arising in the ordinary course of business. The Company evaluates these contingencies based on information currently available, including advice of counsel. The Company establishes accruals for those matters when a loss contingency is considered probable and the related amount is reasonably estimable. Any accruals are periodically reviewed and may be adjusted as circumstances change. A portion of the Company's exposure with respect to loss contingencies may be offset by applicable insurance coverage. In determining the amounts of any accruals or estimates of possible loss contingencies, the Company does not consider the availability of insurance coverage. When it is practicable, the Company estimates loss contingencies for possible litigation and claims, whether or not there is an accrued probable loss. When the Company is able to estimate such probable losses, and when it estimates that it is reasonably possible it could incur losses in excess of amounts accrued, the Company is required to make a disclosure of the aggregate estimation. As available information changes, however, the matters for which the Company is able to estimate, as well as the estimates themselves, will be adjusted accordingly.

Assessments of litigation and claims exposures are difficult due to many factors that involve inherent unpredictability. Those factors include the following: the varying stages of the proceedings, particularly in the early stages; unspecified, unsupported, or uncertain damages; damages other than compensatory, such as punitive damages; a matter presenting meaningful legal uncertainties, including novel issues of law; multiple defendants and jurisdictions; whether discovery has begun or is complete; whether meaningful settlement discussions have commenced; and whether the claim involves a class action and if so, how the class is defined. As a result of some of these factors, the Company may be unable to estimate reasonably possible losses with respect to some or all of the pending and threatened litigation and claims asserted against the Company.

The Company is involved in information-gathering requests and investigations (both formal and informal), as well as reviews, examinations and proceedings (collectively, "Inquiries") by various governmental regulatory agencies, law enforcement authorities and self-regulatory bodies regarding certain of its businesses, business practices and policies, as well as the conduct of persons with whom it does business. Additional Inquiries will arise from time to time. In connection with those Inquiries, the Company receives document requests, subpoenas and other requests for information. The Inquiries could develop into administrative, civil or criminal proceedings or enforcement actions that could result in consequences that have a material effect on the Company's consolidated financial position, results of operations or cash

flows as a whole. Such consequences could include adverse judgments, findings, settlements, penalties, fines, orders, injunctions, restitution, or alterations in the Company's business practices, and could result in additional expenses and collateral costs, including reputational damage.

In September 2020, PrimeLending received an investigative inquiry from the United States Attorney for the Western District of Virginia regarding PrimeLending's float down option. The United States Attorney has issued grand jury subpoenas to PrimeLending and PlainsCapital Bank for additional materials regarding this matter. PrimeLending and PlainsCapital Bank are continuing to cooperate with requests for information with respect to this matter.

While the final outcome of litigation and claims exposures or of any Inquiries is inherently unpredictable, management is currently of the opinion that the outcome of pending and threatened litigation and Inquiries will not, except related to specific matters disclosed above, have a material effect on the Company's business, consolidated financial position, results of operations or cash flows as a whole. However, in the event of unexpected future developments, it is reasonably possible that an adverse outcome in any matter, including the matters discussed above, could be material to the Company's business, consolidated financial position, results of operations or cash flows for any particular reporting period of occurrence.

Indemnification Liability Reserve

The mortgage origination segment may be responsible to agencies, investors, or other parties for errors or omissions relating to its representations and warranties that each loan sold meets certain requirements, including representations as to underwriting standards and the validity of certain borrower representations in connection with the loan. If determined to be at fault, the mortgage origination segment either repurchases the affected loan from or indemnifies the claimant against loss. The mortgage origination segment has established an indemnification liability reserve for such probable losses.

Generally, the mortgage origination segment first becomes aware that an agency, investor, or other party believes a loss has been incurred on a sold loan when it receives a written request from the claimant to repurchase the loan or reimburse the claimant's losses. Upon completing its review of the claimant's request, the mortgage origination segment establishes a specific claims reserve for the loan if it concludes its obligation to the claimant is both probable and reasonably estimable.

An additional reserve has been established for probable agency, investor or other party losses that may have been incurred, but not yet reported to the mortgage origination segment based upon a reasonable estimate of such losses. Factors considered in the calculation of this reserve include, but are not limited to, the total volume of loans sold exclusive of specific claimant requests, actual claim Inquiries, claim settlements and the severity of estimated losses resulting from future claims, and the mortgage origination segment's history of successfully curing defects identified in claim requests.

While the mortgage origination segment's sales contracts typically include borrower early payment default repurchase provisions, these provisions have not been a primary driver of claims to date, and therefore, are not a primary factor considered in the calculation of this reserve.

At December 31, 2025 and 2024, the mortgage origination segment's indemnification liability reserve totaled $6.9 million and $8.1 million, respectively. The provision for indemnification losses was $3.3 million, $2.8 million and $1.6 million during 2025, 2024 and 2023, respectively.

The following tables provide for a rollforward of claims activity for loans put-back to the mortgage origination segment based upon an alleged breach of a representation or warranty with respect to a loan sold and related indemnification liability reserve activity (in thousands).

	Representation and Warranty Specific Claims Activity - Origination Loan Balance		
	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 21,593	$ 26,909	$ 31,244
Claims made	44,227	32,356	54,507
Claims resolved with no payment	(13,319)	(11,474)	(12,851)
Repurchases	(25,489)	(23,469)	(40,875)
Indemnification payments	(1,671)	(2,729)	(5,116)
Balance, end of year	$ 25,341	$ 21,593	$ 26,909

	Indemnification Liability Reserve Activity		
	Year Ended December 31,		
	2025	2024	2023
Balance, beginning of year	$ 8,111	$ 11,691	$ 20,528
Additions for new sales	3,318	2,789	1,649
Repurchases	(3,402)	(5,271)	(9,875)
Early payment defaults	(614)	(907)	(352)
Indemnification payments	(543)	(191)	(259)
Change in reserves for loans sold in prior years	5	—	—
Balance, end of year	$ 6,875	$ 8,111	$ 11,691

	December 31,	
	2025	2024
Reserve for Indemnification Liability:		
Specific claims	$ 1,575	$ 557
Incurred but not reported claims	5,300	7,554
Total	$ 6,875	$ 8,111

Although management considers the total indemnification liability reserve to be appropriate, there may be changes in the reserve over time to address incurred losses due to unanticipated adverse changes in the economy and historical loss patterns, discrete events adversely affecting specific borrowers or industries, and/or actions taken by institutions or investors. The impact of such matters is considered in the reserving process when probable and estimable.

Other Contingencies

Hilltop and its subsidiaries maintain employment contracts with certain officers that provide for benefits in the event of a "change in control" as defined in these agreements.

19. Financial Instruments with Off-Balance Sheet Risk

Banking

The Bank is party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit that involve varying degrees of credit and interest rate risk in excess of the amount recognized in the consolidated financial statements. Such financial instruments are recorded in the consolidated financial statements when they are funded or related fees are incurred or received. The contract amounts of those instruments reflect the extent of involvement (and therefore the exposure to credit loss) the Bank has in particular classes of financial instruments.

Commitments to extend credit are agreements to lend to a customer provided that the terms established in the contract are met. Commitments generally have fixed expiration dates and may require payment of fees. Because some commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Standby letters of credit are conditional commitments issued to guarantee the performance of a customer to a third-party. These letters of credit are primarily issued to support public and private borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan commitments to customers.

In the aggregate, the Bank had outstanding unused commitments to extend credit of $2.2 billion at December 31, 2025 and outstanding financial and performance standby letters of credit of $108.5 million at December 31, 2025.

The Bank uses the same credit policies in making commitments and standby letters of credit as it does for loans held for investment. The amount of collateral obtained, if deemed necessary, in these transactions is based on management's credit evaluation of the borrower. Collateral held varies but may include real estate, accounts receivable, marketable securities, interest-bearing deposit accounts, inventory, and property, plant and equipment.

Broker-Dealer

In the normal course of business, the Hilltop Broker-Dealers execute, settle, and finance various securities transactions that may expose the Hilltop Broker-Dealers to off-balance sheet risk in the event that a customer or counterparty does not fulfill its contractual obligations. Examples of such transactions include the sale of securities not yet purchased by customers or for the accounts of the Hilltop Broker-Dealers, use of derivatives to support certain non-profit housing organization clients and to hedge changes in the fair value of certain securities, clearing agreements between the Hilltop Broker-Dealers and various clearinghouses and broker-dealers, secured financing arrangements that involve pledged securities, and when-issued underwriting and purchase commitments.

20. Stock-Based Compensation

In July 2020, pursuant to stockholders' approval, the Company adopted the Hilltop Holdings Inc. 2020 Equity Incentive Plan (the "2020 Plan"). The 2020 Plan provides for the grant of nonqualified stock options, stock appreciation rights, restricted stock, RSUs, performance awards, dividend equivalent rights and other awards to employees of the Company, its subsidiaries and outside directors of the Company. Outstanding awards under the 2020 Plan continues to be subject to the terms and conditions of the 2020 Plan. The number of shares authorized for issuance pursuant to awards under the 2020 Plan is 3,650,000. At December 31, 2025, 1,309,749 shares of common stock remained available for issuance pursuant to awards granted under the 2020 Plan, excluding shares that may be delivered pursuant to outstanding awards. Total compensation expense was $14.7 million, $10.7 million and $15.5 million during 2025, 2024 and 2023, respectively.

During 2025, 2024 and 2023, Hilltop granted 20,677, 15,923 and 17,912 shares of common stock, respectively, pursuant to the 2020 Plan to certain non-employee members of the Company's board of directors for services rendered to the Company.

Restricted Stock Units

The Compensation Committee of the board of directors of the Company issued RSUs to certain employees pursuant to the 2020 Plan. Certain RSUs are subject to time-based vesting conditions and generally provided for a cliff vest on the third anniversary of the grant date, while other RSUs provided for vesting based upon the achievement of certain performance goals over a three-year period subject to service conditions set forth in the award agreements, with associated costs generally recognized on a straight-line basis over the respective vesting periods. The RSUs are not transferable, and the shares of common stock issuable upon conversion of vested RSUs may be subject to transfer restrictions for a period of one year following conversion, subject to certain exceptions. In addition, the applicable RSU award agreements provide for accelerated vesting under certain conditions.

The following table summarizes information about nonvested RSU activity for the periods presented (shares in thousands).

	RSUs	
	Outstanding	Weighted Average Grant Date Fair Value
Balance, December 31, 2022	1,548	$ 28.09
Granted	479	$ 34.36
Vested/Released	(751)	$ 21.93
Forfeited	(24)	$ 32.30
Balance, December 31, 2023	1,252	$ 34.10
Granted	591	$ 30.72
Vested/Released	(531)	$ 33.02
Forfeited	(27)	$ 32.85
Balance, December 31, 2024	1,285	$ 33.02
Granted	402	$ 32.30
Vested/Released	(328)	$ 33.28
Forfeited	(162)	$ 32.74
Balance, December 31, 2025	1,197	$ 32.74

Vested/Released RSUs include an aggregate of 298,709 shares withheld to satisfy employee statutory tax obligations during 2025, 2024 and 2023.

During 2025, the Compensation Committee of the board of directors of the Company awarded certain executives and key employees an aggregate of 401,919 RSUs pursuant to the 2020 Equity Plan. At December 31, 2025, 298,613 of these RSUs are subject to time-based vesting conditions and generally cliff vest on the third anniversary of the grant date, and 93,851 of these outstanding RSUs will cliff vest based upon the achievement of certain performance goals over a three-year period.

At December 31, 2025, in the aggregate, 910,550 of the outstanding RSUs are subject to time-based vesting conditions and generally cliff vest on the third anniversary of the grant date, and 285,919 outstanding RSUs cliff vest based upon the achievement of certain performance goals over a three-year period. At December 31, 2025, unrecognized compensation expense related to outstanding RSUs of $14.9 million is expected to be recognized over a weighted average period of 1.19 years.

21. Regulatory Matters

Banking and Hilltop

PlainsCapital, which includes the Bank and PrimeLending, and Hilltop are subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory — and possibly additional discretionary — actions by regulators that, if undertaken, could have a direct, material effect on the consolidated financial statements. The regulations require PlainsCapital and Hilltop to meet specific capital adequacy guidelines that involve quantitative measures of assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The Company performs reviews of the classification and calculation of risk-weighted assets to ensure accuracy and compliance with the Basel III regulatory capital requirements as implemented by the Board of Governors of the Federal Reserve System. The capital classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors. Quantitative measures established by regulation to ensure capital adequacy require the companies to maintain minimum amounts and ratios (set forth in the following table) of Tier 1 capital (as defined in the regulations) to total average assets (as defined), and minimum ratios of common equity Tier 1, Tier 1 and total capital (as defined) to risk-weighted assets (as defined).

In order to avoid limitations on capital distributions, including dividend payments, stock repurchases and certain discretionary bonus payments to executive officers, Basel III requires banking organizations to maintain a capital conservation buffer above minimum risk-based capital requirements measured relative to risk-weighted assets.

The following table shows PlainsCapital's and Hilltop's actual capital amounts and ratios in accordance with Basel III compared to the regulatory minimum capital requirements including the conservation buffer ratio in effect at the end of the period (dollars in thousands). Based on actual capital amounts and ratios shown in the following table, PlainsCapital's ratios place it in the "well capitalized" (as defined) capital category under regulatory requirements. Actual capital amounts and ratios as of December 31, 2024 reflect PlainsCapital's and Hilltop's decision to elect the transition option as issued by the federal banking regulatory agencies in March 2020 that permits banking institutions to mitigate the estimated cumulative regulatory capital effects from CECL over a five-year transitionary period through December 31, 2024. As of January 1, 2025, Hilltop and PlainsCapital had fully captured the day-one regulatory capital effects resulting from the implementation of CECL.

	December 31, 2025		December 31, 2024		Minimum Capital Requirements Including Conservation Buffer	To Be Well Capitalized
	Amount	Ratio	Amount	Ratio	Ratio	Ratio
Tier 1 capital (to average assets):						
PlainsCapital	$ 1,320,094	10.60 %	$ 1,317,664	9.99 %	4.0 %	5.0 %
Hilltop	1,975,226	12.78 %	2,031,069	12.57 %	4.0 %	N/A
Common equity Tier 1 capital (to risk-weighted assets):						
PlainsCapital	1,320,094	14.49 %	1,317,664	15.35 %	7.0 %	6.5 %
Hilltop	1,975,226	19.70 %	2,031,069	21.23 %	7.0 %	N/A
Tier 1 capital (to risk-weighted assets):						
PlainsCapital	1,320,094	14.49 %	1,317,664	15.35 %	8.5 %	8.0 %
Hilltop	1,975,226	19.70 %	2,031,069	21.23 %	8.5 %	N/A
Total capital (to risk-weighted assets):						
PlainsCapital	1,421,007	15.60 %	1,419,787	16.54 %	10.5 %	10.0 %
Hilltop	2,226,165	22.20 %	2,334,679	24.40 %	10.5 %	N/A

A reconciliation of equity capital to common equity Tier 1, Tier 1 and total capital (as defined) is as follows (in thousands).

	December 31, 2025		December 31, 2024	
	PlainsCapital	Hilltop	PlainsCapital	Hilltop
Total equity capital	$ 1,505,737	$ 2,168,401	$ 1,469,492	$ 2,189,965
Add:				
Net unrealized holding losses (gains) on securities available for sale and held in trust	79,984	79,877	111,252	111,497
CECL transition adjustment	—	—	1,966	2,198
Deduct:				
Goodwill and other disallowed intangible assets	(265,627)	(273,052)	(265,046)	(272,591)
Common equity Tier 1 capital (as defined)	1,320,094	1,975,226	1,317,664	2,031,069
Add: Tier 1 capital	—	—	—	—
Deduct: Additional Tier 1 capital deductions	—	—	—	—
Tier 1 capital (as defined)	1,320,094	1,975,226	1,317,664	2,031,069
Add: Allowable Tier 2 capital				
Allowance for credit losses, including unfunded commitments	100,913	100,939	107,316	109,035
Capital instruments	—	150,000	—	200,000
Deduct:				
Additional Tier 2 capital deductions	—	—	(5,193)	(5,425)
Total capital (as defined)	$ 1,421,007	$ 2,226,165	$ 1,419,787	$ 2,334,679

Broker-Dealer

Pursuant to the net capital requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Hilltop Securities has elected to determine its net capital requirements using the alternative method. Accordingly, Hilltop Securities is required to maintain minimum net capital, as defined in Rule 15c3-1 promulgated under the Exchange Act, equal to the greater of $1,000,000 or 2% of aggregate debit balances, as defined in Rule 15c3-3 promulgated under the Exchange Act. Additionally, the net capital rule of the NYSE provides that equity capital may not be withdrawn or cash dividends paid if resulting net capital would be less than 5% of the aggregate debit items. Momentum Independent Network follows the primary (aggregate indebtedness) method, as defined in Rule 15c3-1 promulgated under the Exchange Act, which requires the maintenance of the larger of $250,000 or 6-2/3% of aggregate indebtedness.

At December 31, 2025, the net capital position of each of the Hilltop Broker-Dealers was as follows (in thousands).

	Hilltop Securities	Momentum Independent Network
Net capital	$ 220,566	$ 4,811
Less: required net capital	6,128	484
Excess net capital	$ 214,438	$ 4,327
Net capital as a percentage of aggregate debit items	72.0 %	
Net capital in excess of 5% aggregate debit items	$ 205,246	

Under certain conditions, Hilltop Securities may be required to segregate cash and securities in a special reserve account for the benefit of customers under Rule 15c3-3 promulgated under the Exchange Act. Assets segregated for regulatory purposes under the provisions of the Exchange Act are restricted and not available for general corporate purposes. At December 31, 2025 and 2024, the Hilltop Broker-Dealers held cash of $20.2 million and $71.0 million, respectively, segregated in special reserve bank accounts for the benefit of customers. The Hilltop Broker-Dealers were not required to segregate cash and securities in special reserve accounts for the benefit of proprietary accounts of introducing broker-dealers at December 31, 2025.

Mortgage Origination

As a mortgage originator, PrimeLending and its subsidiaries are subject to minimum capital, leverage, net worth and liquidity requirements established by HUD and GNMA, as applicable. On an annual basis, PrimeLending and its subsidiaries submit audited financial statements to HUD and GNMA documenting their respective compliance with minimum capital, net worth and liquidity requirements, including timely reporting if a quarter's operating loss exceeds more than 20% of its previous quarter or year-end net worth ("the operating loss ratio") and/or if a quarter's capital ratio is below 6% (the "GNMA capital ratio"). If this occurs, certain additional financial reporting submissions are required. During 2025, PrimeLending received capital infusions from its parent company, PlainsCapital Bank, totaling $25 million. As of December 31, 2025, PrimeLending and its subsidiaries' minimum capital, leverage, net worth and liquidity exceeded the amounts required by both HUD and GNMA, as applicable.

22. Stockholders' Equity

The Bank is subject to certain restrictions on the amount of dividends it may declare without prior regulatory approval. At December 31, 2025, approximately $34 million of its earnings was available for dividend declaration without prior regulatory approval. During the fourth quarter of 2025, the Bank received regulatory approval to dividend up to $200.0 million, inclusive of net profits during the third quarter of 2025. Accordingly, the Bank paid a dividend in January 2026 of $185.0 million, inclusive of net profits during the fourth quarter of 2025, to PCC.

Dividends

During 2025, 2024 and 2023, the Company declared and paid cash dividends of $0.72, $0.68 and $0.64 per common share, or an aggregate of $45.4 million, $44.3 million and $41.6 million, respectively.

On January 29, 2026, Hilltop's board of directors declared a quarterly cash dividend of $0.20 per common share, payable on February 27, 2026, to all common stockholders of record as of the close of business on February 13, 2026.

Stock Repurchase Programs

The Company's board of directors has periodically approved stock repurchase programs under which it authorized the Company to repurchase its outstanding common stock. Under the respective stock repurchase program authorized, the Company could repurchase shares in open-market purchases or through privately negotiated transactions as permitted under Rule 10b-18 promulgated under the Exchange Act. The extent to which the Company repurchased its shares and the timing of such repurchases depended upon market conditions and other corporate considerations, as determined by Hilltop's management team. Repurchased shares will be returned to the Company's pool of authorized but unissued shares of common stock.

The Company's share repurchases in excess of issuances may be subject to a nondeductible 1% excise tax enacted by the Inflation Reduction Act of 2022, subject to certain limitations. During 2025, an excise tax of $1.7 million on net share repurchases was accrued and recorded to additional paid-in capital on the consolidated balance sheets. There was no related excise tax recorded during 2024 and 2023, respectively.

In January 2026, the Hilltop board of directors authorized a new stock repurchase program through January 2027, pursuant to which the Company is authorized to repurchase, in the aggregate, up to $125.0 million of its outstanding common stock, inclusive of repurchases to offset dilution related to grants of stock-based compensation.

In January 2025, the Hilltop board of directors authorized a stock repurchase program through January 2026, pursuant to which the Company is authorized to repurchase, in the aggregate, up to $100.0 million of its outstanding common stock, which authorization was increased to $135.0 million in July 2025, and to $185.0 million in October 2025. During 2025, the Company paid $184.0 million to repurchase an aggregate of 5,705,205 shares of common stock at an average price of $32.26 per share pursuant to the stock repurchase program.

In January 2024, the Hilltop board of directors authorized a stock repurchase program through January 2025, pursuant to which the Company is authorized to repurchase, in the aggregate, up to $75.0 million of its outstanding common stock, inclusive of repurchases to offset dilution related to grants of stock-based compensation. During 2024, the Company paid $19.9 million to repurchase an aggregate of 640,042 shares of common stock at an average price of $31.04 per share pursuant to the stock repurchase program.

In January 2023, the Hilltop board of directors authorized a stock repurchase program through January 2024, pursuant to which the Company is authorized to repurchase, in the aggregate, up to $75.0 million of its outstanding common stock, inclusive of repurchases to offset dilution related to grants of stock-based compensation. During 2023, the Company paid $5.1 million to repurchase an aggregate of 164,604 shares of common stock at an average price of $30.95 per share pursuant to the stock repurchase program.

23. Noninterest Income and Expense

The following table shows the components of noninterest income and expense (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Noninterest income:			
Net gains from sale of loans and other mortgage production income [1]	$ 198,536	$ 190,021	$ 172,150
Mortgage loan origination fees	102,641	123,066	144,539
Principal transactions, commissions and fees:			
Principal transactions [1]	140,275	153,551	141,372
Commissions	42,198	37,162	32,718
Money market and bank-insured fund fees	38,782	29,689	13,386
Other fees	32,014	30,177	31,464
	253,269	250,579	218,940
Investment banking, advisory and administrative fees:			
Advisory services	108,285	86,886	73,558
Managed money	44,885	38,103	32,318
Underwriting	24,049	14,545	25,282
Other fees	4,115	3,418	3,169
	181,334	142,952	134,327
Other:			
Merchant banking investments [1]	47,235	15,597	10,020
Service charges on depositor accounts	18,852	20,718	16,179
Trust fees	12,371	13,372	13,361
Other [1]	26,903	14,651	19,457
	105,361	64,338	59,017
	$ 841,141	$ 770,956	$ 728,973
Noninterest expense:			
Employees' compensation and benefits	$ 730,637	$ 687,149	$ 678,310
Occupancy and equipment, net	81,594	91,233	89,326
Professional services	40,001	44,437	49,100
Other:			
Software and information technology	69,252	68,658	69,212
Brokerage commissions and fees	36,449	36,580	33,538
Travel, meals and entertainment	12,859	12,350	11,113
Business development	12,774	12,163	11,282
Unreimbursed loan closing costs	11,997	9,332	4,971
Mortgage origination and servicing	9,808	17,285	22,040
Funding fees	3,883	2,997	3,174
Office supplies	1,648	2,665	3,241
Amortization of intangible assets	1,028	1,824	2,860
Other	41,543	46,883	50,142
	201,241	210,737	211,573
	$ 1,053,473	$ 1,033,556	$ 1,028,309

(1) Certain noninterest income components included within these line items are generally not in scope of the accounting guidance for revenue from contracts with customers.

As discussed in Note 1 to the consolidated financial statements, certain activities involving the recognition of revenue primarily within the Company's banking and broker-dealer segments are subject to the provisions of ASC 606. The recognition of broker-dealer segment revenues for significant noninterest income components that are subject to the provisions of ASC 606 as included in the table above is further evaluated as follows.

Principal transactions, commissions and fees

Commissions. The broker-dealer buys and sells securities on behalf of its customers. Each time a customer enters a buy or sell transaction, the broker-dealer charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date the broker-dealer fills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). Commissions income is generally recognized when the performance obligation is satisfied on the trade date as that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer.

Money Market and Bank-Insured Fund Fees. The broker-dealer earns revenue for placing clients' deposits in money market fund and brokerage sweep programs with third-party and affiliate banks. The amounts earned from these funds and banks are impacted by short-term interest rates. The performance obligations with the funds and financial institutions that participate in these programs are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. The revenue is earned daily and settled monthly based on a rate applied, as a percentage, of the deposits placed. Management has determined that the broker-dealer is an agent with respect to the interest earned on deposits and as a result is presented net of client interest on deposits within the consolidated statement of operations. Accordingly, the income recognized as money market and bank-insured fund fees is presented net in the consolidated statement of operations.

Investment banking, advisory and administrative fees

Advisory services. Under financial advisory agreements, the broker-dealer provides public finance services for school districts, municipality and government agencies to meet their financing needs such as assisting with the issuance of debt, advising on an on-going basis and providing disclosure statements. These agreements may have distinct performance obligations and revenue recognition treatment. Revenue from financial advisory service contracts is earned from services related to bond issuances. The fee is either fixed or calculated based on the par value of the bond issuance. Revenue is recognized when the performance obligation for the transaction is satisfied, which is typically the bond issuance date.

Managed Money. The broker-dealer receives a management and advisory fee in connection with services performed for separately administered accounts. The performance obligation related to the transfer of these services is satisfied over time. These fees are recorded when earned based on the period-end value of account assets. Though these fees are variable in nature, the broker-dealer has determined that the fees are not constrained and are recognized as revenue during the period in which the services are provided.

Underwriting. The broker-dealer underwrites securities for business entities and governmental entities that want to raise funds through a sale of securities. Revenues are earned from fees arising from securities offerings in which the broker-dealer acts as the underwriter. Revenue is recognized on the trade date (the date on which the broker-dealer purchases the securities from the issuer) for the portion the broker-dealer is contracted to buy. The broker-dealer believes that the trade date is the appropriate point in time to recognize revenue for securities underwriting transactions, as there are no significant actions which the broker-dealer need to take subsequent to this date and the issuer obtains the control and benefit of the capital markets offering at that point.

24. Derivative Financial Instruments

The Company uses various derivative financial instruments to mitigate interest rate risk. The Bank's interest rate risk management strategy involves effectively managing the re-pricing characteristics of certain assets and liabilities to mitigate potential adverse impacts from changes in interest rates on the Bank's net interest margin. Additionally, the Bank manages variability of cash flows associated with its variable rate debt in interest-related cash outflows with interest rate swap contracts. PrimeLending has interest rate risk relative to interest rate lock commitments ("IRLCs") and its inventory of mortgage loans held for sale. PrimeLending is exposed to such interest rate risk from the time an IRLC is made to an applicant to the time the related mortgage loan is sold. To mitigate interest rate risk, PrimeLending executes forward commitments to sell mortgage-backed securities ("MBSs") and futures contracts. Additionally, PrimeLending

has interest rate risk relative to its MSR asset and uses derivative instruments, including U.S. Treasury bond futures and options, to hedge this risk. The Hilltop Broker-Dealers use forward commitments to both purchase and sell MBSs to facilitate customer transactions and as a means to hedge related exposure to interest rate risk in certain inventory positions. Additionally, Hilltop Securities uses various derivative instruments, including U.S. Treasury bond futures and options, futures contracts, credit default swaps and MMD rate locks, to hedge changes in the fair value of its securities.

Non-Hedging Derivative Instruments and the Fair Value Option

As discussed in Note 3 to the consolidated financial statements, the Company has elected to measure substantially all mortgage loans held for sale at fair value under the provisions of the Fair Value Option. The election provides the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without applying hedge accounting provisions. The fair values of PrimeLending's IRLCs and forward commitments are recorded in other assets or other liabilities, as appropriate, and changes in the fair values of these derivative instruments are recorded as a component of net gains from sale of loans and other mortgage production income. These changes in fair value are attributable to changes in the volume of IRLCs, mortgage loans held for sale, commitments to purchase and sell MBSs and MSR assets, and changes in market interest rates. Changes in market interest rates also conversely affect the value of PrimeLending's mortgage loans held for sale and its MSR asset, which are measured at fair value under the Fair Value Option. The effect of the change in market interest rates on PrimeLending's loans held for sale and MSR asset is discussed in Note 10 to the consolidated financial statements. The fair values of the Hilltop Broker-Dealers' and the Bank's derivative instruments are recorded in other assets or other liabilities, as appropriate, and changes in the fair value of these derivatives are recorded as a component of principal transactions, commissions and fees within the consolidated statements of operations. Changes in the fair value of derivatives are presented in the following table (in thousands).

	Year Ended December 31,		
	2025	2024	2023
Increase (decrease) in fair value of derivatives during year:			
PrimeLending	$ (5,206)	$ 11,365	$ (7,097)
Hilltop Broker-Dealers	(3,234)	(3,092)	(7,814)
Bank	(36)	(6)	65

Hedging Derivative Instruments

The Company has entered into interest rate swap contracts to manage the exposure to changes in fair value associated with certain available for sale fixed rate collateralized mortgage-backed securities and fixed rate loans held for investment attributable to changes in the designated benchmark interest rate. Certain of these fair value hedges have been designated as a portfolio layer, which provides the Company the ability to execute a fair value hedge of the interest rate risk associated with a portfolio of similar prepayable assets whereby the last dollar amount estimated to remain in the portfolio of assets is identified as the hedged item. Additionally, the Company has outstanding interest rate swap contracts designated as cash flow hedges and utilized to manage the variability of cash flows associated with its variable rate borrowings.

Under each of its interest rate swap contracts designated as cash flow hedges, the Company receives a floating rate and pays a fixed rate on the outstanding notional amount. The Company assesses the hedge effectiveness both at the onset of the hedge and at regular intervals throughout the life of the derivative. To the extent that the derivative instruments are highly effective in offsetting the variability of the hedged cash flows or fair value, changes in the fair value of the derivatives designated as hedges of cash flows are included as a component of accumulated other comprehensive income or loss on the Company's consolidated balance sheets, and changes in the fair value of the derivatives designated as hedges of fair value are included in current earnings. Although the Company has determined at the onset of the hedges that the derivative instruments will be highly effective hedges throughout the term of the contract, any portion of derivative instruments subsequently determined to be ineffective will be recognized in earnings.

Derivative positions are presented in the following table (in thousands).

	December 31, 2025		December 31, 2024	
	Notional Amount	Estimated Fair Value	Notional Amount	Estimated Fair Value
Derivative instruments (not designated as hedges):				
IRLCs	$ 456,734	$ 5,997	$ 384,528	$ 2,942
Commitments to purchase MBSs	1,586,198	7,311	1,152,841	280
Commitments to sell MBSs	2,383,043	(6,344)	1,954,405	8,577
Interest rate swaps	53,470	(666)	32,000	1,088
Interest rate swaps back-to-back (asset) (1)	110,437	1,495	24,928	277
Interest rate swaps back-to-back (liability) (1)	110,437	(1,551)	24,928	(298)
U.S. Treasury bond futures and options (2)	217,220	—	119,200	—
Interest rate and other futures (2)	9,250	—	245,200	—
Credit default swaps	40,000	7	14,000	3
Derivative instruments (designated as hedges):				
Interest rate swaps designated as cash flow hedges	$ 137,000	$ 1,291	$ 285,000	$ 6,748
Interest rate swaps designated as fair value hedges (3)	317,335	23,858	354,471	36,914

(1) Noted derivative instruments include both customer-facing derivatives as well as offsetting derivatives facing other dealer banks. The fair value of these derivatives include a net credit valuation adjustment that was nominal at December 31, 2025 and 2024, reducing the fair value of the liability.

(2) Noted derivative instruments include contracts between the Hilltop Broker-Dealers and PrimeLending and their respective counterparties with changes in fair value of the contracts that are settled daily.

(3) The Company designated $347.3 million and $376.5 million as the hedged amount (from a closed portfolio of prepayable available for sale securities and loans held for investment with a carrying value of $323.4 million and $339.4 million as of December 31, 2025 and 2024, respectively), of which, a subset of these hedges are in portfolio layer hedging relationships. The cumulative basis adjustment included in the carrying value of the hedged items totaled $24.0 million and $37.1 million as of December 31, 2025 and 2024, respectively.

The Bank held aggregate cash collateral advances of $25.0 million to offset net asset derivative positions on its commitments to sell MBSs and derivative instruments designated as hedges at December 31, 2025. The Bank and PrimeLending held aggregate cash collateral advances of $50.9 million to offset net asset derivative positions on its commitments to sell MBSs and derivative instruments designated as hedges at December 31, 2024. PrimeLending had advanced cash collateral totaling $4.1 million to offset net liability positions on its commitments to sell MBSs at December 31, 2025. In addition, PrimeLending and the Hilltop Broker-Dealers had advanced cash collateral totaling $6.5 million and $4.9 million on various derivative instruments at December 31, 2025 and 2024, respectively. These cash collateral amounts are included in either other assets or other liabilities within the consolidated balance sheets.

Derivatives on Behalf of Customers

The Bank offers derivative contracts to certain customers in connection with their risk management needs. These derivatives include back-to-back interest rate swaps. The Bank manages the risk associated with these contracts by entering into an equal and offsetting derivative with a third-party dealer bank. These derivatives generally work together as an economic interest rate hedge, but the Bank does not designate them for hedge accounting treatment. Consequently, changes in fair value of the corresponding derivative financial asset or liability were recorded as either a charge or credit to current earnings during the period in which the changes in fair value occurred, typically resulting in no net earnings impact.

25. Balance Sheet Offsetting

Certain financial instruments, including resale and repurchase agreements, securities lending arrangements and derivatives, may be eligible for offset in the consolidated balance sheets and/or subject to master netting arrangements or similar agreements. The Company's accounting policy is to present required disclosures related to collateral and derivative positions on a gross basis.

The following tables present the assets and liabilities subject to enforceable master netting arrangements, repurchase agreements, or similar agreements with offsetting rights (in thousands).

	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Pledged	
December 31, 2025						
Securities borrowed:						
Institutional counterparties	$ 1,501,548	$ —	$ 1,501,548	$ (1,425,084)	$ —	$ 76,464
Interest rate swaps:						
Institutional counterparties	27,370	—	27,370	—	(24,380)	2,990
Credit default swaps:						
Institutional counterparties	7	—	7	—	—	7
Reverse repurchase agreements:						
Institutional counterparties	55,977	—	55,977	(55,601)	—	376
Forward MBS derivatives:						
Institutional counterparties	7,852	—	7,852	(253)	—	7,599
	$ 1,592,754	$ —	$ 1,592,754	$ (1,480,938)	$ (24,380)	$ 87,436
December 31, 2024						
Securities borrowed:						
Institutional counterparties	$ 1,292,365	$ —	$ 1,292,365	$ (1,214,081)	$ —	$ 78,284
Interest rate swaps:						
Institutional counterparties	45,243	—	45,243	—	(44,155)	1,088
Credit default swaps:						
Institutional counterparties	3	—	3	—	—	3
Reverse repurchase agreements:						
Institutional counterparties	88,728	—	88,728	(86,371)	—	2,357
Forward MBS derivatives:						
Institutional counterparties	14,719	—	14,719	(61)	(4,325)	10,333
	$ 1,441,058	$ —	$ 1,441,058	$ (1,300,513)	$ (48,480)	$ 92,065

	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Liabilities Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Pledged	
December 31, 2025						
Securities loaned:						
Institutional counterparties	$ 1,495,133	$ —	$ 1,495,133	$ (1,418,288)	$ —	$ 76,845
Interest rate swaps:						
Institutional counterparties	2,943	—	2,943	—	—	2,943
Repurchase agreements:						
Institutional counterparties	268,805	—	268,805	(268,805)	—	—
Forward MBS derivatives:						
Institutional counterparties	6,885	—	6,885	(253)	(1,795)	4,837
	$ 1,773,766	$ —	$ 1,773,766	$ (1,687,346)	$ (1,795)	$ 84,625
December 31, 2024						
Securities loaned:						
Institutional counterparties	$ 1,291,725	$ —	$ 1,291,725	$ (1,211,426)	$ —	$ 80,299
Interest rate swaps:						
Institutional counterparties	514	—	514	—	—	514
Repurchase agreements:						
Institutional counterparties	198,174	—	198,174	(198,174)	—	—
Forward MBS derivatives:						
Institutional counterparties	5,862	—	5,862	(61)	—	5,801
	$ 1,496,275	$ —	$ 1,496,275	$ (1,409,661)	$ —	$ 86,614

Secured Borrowing Arrangements

Secured Borrowings (Repurchase Agreements) — The Company participates in transactions involving securities sold under repurchase agreements, which are secured borrowings and generally mature one to ninety days from the transaction date or involve arrangements with no definite termination date. Securities sold under repurchase agreements are reflected at the amount of cash received in connection with the transactions. The Company may be required to provide additional collateral based on the fair value of the underlying securities, which is monitored on a daily basis.

Securities Lending Activities — The Company's securities lending activities include lending securities for other broker-dealers, lending institutions and its own clearing and retail operations. These activities involve lending securities to other broker-dealers to cover short sales, to complete transactions in which there has been a failure to deliver securities by the required settlement date and as a conduit for financing activities.

When lending securities, the Company receives cash or similar collateral and generally pays interest (based on the amount of cash deposited) to the other party to the transaction. Securities lending transactions are executed pursuant to written agreements with counterparties that generally require securities loaned to be marked-to-market on a daily basis. The Company receives collateral in the form of cash in an amount generally in excess of the fair value of securities loaned. The Company monitors the fair value of securities loaned on a daily basis, with additional collateral obtained or refunded, as necessary. Collateral adjustments are made on a daily basis through the facilities of various clearinghouses. The Company is a principal in these securities lending transactions and is liable for losses in the event of a failure of any other party to honor its contractual obligation. Management sets credit limits with each counterparty and reviews these limits regularly to monitor the risk level with each counterparty. The Company is subject to credit risk through its securities lending activities if securities prices decline rapidly because the value of the Company's collateral could fall below the amount of the indebtedness it secures. In rapidly appreciating markets, credit risk increases due to short positions. The Company's securities lending business subjects the Company to credit risk if a counterparty fails to perform or if collateral securing its obligations is insufficient. In securities transactions, the Company is subject to credit risk during the period between the execution of a trade and the settlement by the customer.

The following tables present the remaining contractual maturities of repurchase agreement and securities lending transactions accounted for as secured borrowings (in thousands). The Company had no repurchase-to-maturity transactions outstanding at both December 31, 2025 and 2024.

	Remaining Contractual Maturities				
December 31, 2025	**Overnight and Continuous**	**Up to 30 Days**	**30-90 Days**	**Greater Than 90 Days**	**Total**
Repurchase agreement transactions:					
Asset-backed securities	$ 61,704	$ 204,993	$ —	$ —	$ 266,697
Other	2,108	—	—	—	2,108
Securities lending transactions:					
Corporate securities	52	—	—	—	52
Equity securities	1,495,081	—	—	—	1,495,081
Total	$ 1,558,945	$ 204,993	$ —	$ —	$ 1,763,938
Gross amount of recognized liabilities for repurchase agreement and securities lending transactions in offsetting disclosure above					$ 1,763,938
Amount related to agreements not included in offsetting disclosure above					$ —

	Remaining Contractual Maturities				
December 31, 2024	**Overnight and Continuous**	**Up to 30 Days**	**30-90 Days**	**Greater Than 90 Days**	**Total**
Repurchase agreement transactions:					
Asset-backed securities	$ 117,847	$ 80,327	$ —	$ —	$ 198,174
Securities lending transactions:					
Corporate securities	52	—	—	—	52
Equity securities	1,291,673	—	—	—	1,291,673
Total	$ 1,409,572	$ 80,327	$ —	$ —	$ 1,489,899
Gross amount of recognized liabilities for repurchase agreement and securities lending transactions in offsetting disclosure above					$ 1,489,899
Amount related to agreements not included in offsetting disclosure above					$ —

26. Broker-Dealer and Clearing Organization Receivables and Payables

Broker-dealer and clearing organization receivables and payables consisted of the following (in thousands).

	December 31,	
	2025	2024
Receivables:		
Securities borrowed	$ 1,501,548	$ 1,292,365
Securities failed to deliver	5,899	16,045
Trades in process of settlement	63,811	125,736
Other	17,624	18,220
	$ 1,588,882	$ 1,452,366
Payables:		
Securities loaned	$ 1,495,133	$ 1,291,725
Correspondents	14,091	17,025
Securities failed to receive	3,517	16,623
Other	5,762	6,529
	$ 1,518,503	$ 1,331,902

27. Segment and Related Information

The Company has two primary business units, PCC (banking and mortgage origination) and Securities Holdings (broker-dealer). Under GAAP, the Company's business units are comprised of three reportable business segments organized primarily by the core products offered to the segments' respective customers: banking, broker-dealer and mortgage origination. These segments reflect the manner in which operations are managed by the chief operating decision maker ("CODM"), the Company's President and Chief Executive Officer. For each reportable business segment, the CODM primarily uses income (loss) before taxes to evaluate segment performance, develop strategy and allocate resources. The CODM also uses net revenues, comprised of net interest income and noninterest income, which provides comparability of financial performance trends for the reportable business segments.

The banking segment includes the operations of the Bank. The broker-dealer segment includes the operations of Securities Holdings, and the mortgage origination segment is composed of PrimeLending.

Corporate includes certain activities not allocated to specific business segments. These activities include holding company financing and investing activities, merchant banking investment opportunities and management and administrative services to support the overall operations of the Company.

Balance sheet amounts not discussed previously and the elimination of intersegment transactions are included in "All Other and Eliminations." Transactions between segments consist primarily of borrowed funds and FDIC sweep investments. Interest is paid by the mortgage origination and broker-dealer segments for use of the warehouse lines of credit maintained by the banking segment and for a note payable maintained with the corporate segment, respectively. Additionally, the broker-dealer segment receives fee income for the FDIC sweep investments placed with the banking segment.

The following tables present certain information about reportable business segment revenues, operating results, goodwill and assets (in thousands).

Year Ended December 31, 2025	Banking	Broker-Dealer	Mortgage Origination	Corporate	All Other and Eliminations	Hilltop Consolidated
Interest income	$ 635,754	$ 152,282	$ 53,718	$ 11,186	$ (68,890)	$ 784,050
Interest expense [1]	253,702	102,010	61,652	11,469	(85,489)	343,344
Net interest income (expense)	382,052	50,272	(7,934)	(283)	16,599	440,706
Noninterest income	46,058	450,754	310,876	51,137	(17,684)	841,141
Net revenue	$ 428,110	$ 501,026	$ 302,942	$ 50,854	$ (1,085)	$ 1,281,847
Provision for (reversal of) credit losses	7,335	(24)	—	—	—	7,311
Non-variable compensation and benefits	131,414	142,070	108,498	41,593	—	423,575
Variable compensation [2]	—	169,845	126,747	10,470	—	307,062
Occupancy and equipment, net	37,680	18,469	18,188	7,923	(666)	81,594
Professional services	3,278	18,757	12,544	5,555	(133)	40,001
Other segment expense items [3]	55,229	84,322	54,486	7,548	(344)	201,241
	$ 227,601	$ 433,463	$ 320,463	$ 73,089	$ (1,143)	$ 1,053,473
Income (loss) before taxes	$ 193,174	$ 67,587	$ (17,521)	$ (22,235)	$ 58	$ 221,063

Year Ended December 31, 2024	Banking	Broker-Dealer	Mortgage Origination	Corporate	All Other and Eliminations	Hilltop Consolidated
Interest income	$ 682,921	$ 166,421	$ 55,628	$ 7,128	$ (75,709)	$ 836,389
Interest expense [1]	310,375	117,479	72,495	19,966	(101,724)	418,591
Net interest income (expense)	372,546	48,942	(16,867)	(12,838)	26,015	417,798
Noninterest income	43,295	422,801	313,229	18,515	(26,884)	770,956
Net revenue	$ 415,841	$ 471,743	$ 296,362	$ 5,677	$ (869)	$ 1,188,754
Provision for (reversal of) credit losses	992	(51)	—	—	—	941
Non-variable compensation and benefits	130,974	133,638	109,573	38,159	—	412,344
Variable compensation [2]	—	153,062	121,720	23	—	274,805
Occupancy and equipment, net	43,765	18,569	21,172	8,393	(666)	91,233
Professional services	8,122	15,897	15,209	5,247	(38)	44,437
Other segment expense items [3]	50,093	87,117	62,414	11,288	(175)	210,737
	$ 232,954	$ 408,283	$ 330,088	$ 63,110	$ (879)	$ 1,033,556
Income (loss) before taxes	$ 181,895	$ 63,511	$ (33,726)	$ (57,433)	$ 10	$ 154,257

Year Ended December 31, 2023	Banking	Broker-Dealer	Mortgage Origination	Corporate	All Other and Eliminations	Hilltop Consolidated
Interest income	$ 685,727	$ 166,934	$ 55,559	$ 7,098	$ (76,943)	$ 838,375
Interest expense [1]	287,791	114,040	75,864	20,059	(126,226)	371,528
Net interest income (expense)	397,936	52,894	(20,305)	(12,961)	49,283	466,847
Noninterest income	45,830	403,538	316,840	12,887	(50,122)	728,973
Net revenue	$ 443,766	$ 456,432	$ 296,535	$ (74)	$ (839)	$ 1,195,820
Provision for (reversal of) credit losses	18,525	(133)	—	—	—	18,392
Non-variable compensation and benefits	123,345	121,411	132,142	37,451	—	414,349
Variable compensation [2]	—	144,984	118,977	—	—	263,961
Occupancy and equipment, net	36,473	18,781	26,837	7,900	(665)	89,326
Professional services	12,008	16,502	14,102	6,488	—	49,100
Other segment expense items [3]	54,408	81,346	67,227	8,792	(200)	211,573
	$ 226,234	$ 383,024	$ 359,285	$ 60,631	$ (865)	$ 1,028,309
Income (loss) before taxes	$ 199,007	$ 73,541	$ (62,750)	$ (60,705)	$ 26	$ 149,119

(1) Significant interest expenses for each reportable segment that are regularly provided to the CODM include:
Banking segment – primarily comprised of deposit interest expense.
Broker-dealer segment – primarily comprised of securities loaned and short-term borrowings interest expense.
Mortgage origination segment – primarily comprised of interest incurred on warehouse lines of credit held with the Bank.
(2) Variable compensation represents performance-based commissions and incentives.
(3) Other segment items for certain reportable segments that are regularly provided to the CODM include:
Broker-dealer – included brokerage fees expense and travel, meals and entertainment expense.
Mortgage origination segment – included mortgage origination and servicing expenses, unreimbursed loan closing costs and business development expense.

	Banking	Broker-Dealer	Mortgage Origination	Corporate	All Other and Eliminations	Hilltop Consolidated
December 31, 2025						
Goodwill	$ 247,368	$ 7,008	$ 13,071	$ —	$ —	$ 267,447
Total assets	$ 12,743,756	$ 2,929,088	$ 1,091,437	$ 2,370,468	$ (3,289,755)	$ 15,844,994
December 31, 2024						
Goodwill	$ 247,368	$ 7,008	$ 13,071	$ —	$ —	$ 267,447
Total assets	$ 13,354,407	$ 2,823,582	$ 1,010,727	$ 2,601,888	$ (3,522,475)	$ 16,268,129

28. Earnings per Common Share

The following table presents the computation of basic and diluted earnings per common share (in thousands, except per share data).

	Year Ended December 31,		
	2025	2024	2023
Basic earnings per share:			
Income attributable to Hilltop	$ 165,591	$ 113,213	$ 109,646
Weighted average shares outstanding - basic	62,700	65,036	65,043
Basic earnings per common share:	$ 2.64	$ 1.74	$ 1.69
Diluted earnings per share:			
Income attributable to Hilltop	$ 165,591	$ 113,213	$ 109,646
Weighted average shares outstanding - basic	62,700	65,036	65,043
Effect of potentially dilutive securities	9	10	2
Weighted average shares outstanding - diluted	62,709	65,046	65,045
Diluted earnings per common share:	$ 2.64	$ 1.74	$ 1.69

29. Financial Statements of Parent

The following tables present the condensed combined financial statements of the Company's bank holding company entities, Hilltop and PCC. The tables also include the corporate activities associated with Hilltop Opportunity Partners LLC and the Hilltop Plaza Entities (in thousands). Investments in subsidiaries are determined using the equity method of accounting.

Condensed Combined Statements of Operations and Comprehensive Income

	Year Ended December 31,		
	2025	2024	2023
Dividends from bank subsidiaries	$ 134,000	$ 202,000	$ 105,000
Dividends from nonbank subsidiaries	87,470	87,833	28,821
Investment income	11,186	7,128	7,098
Interest expense	11,469	19,966	20,059
Other income	51,137	18,515	12,887
General and administrative expense	73,089	63,111	60,631
Income before income taxes and equity in undistributed earnings of subsidiaries activity	199,235	232,399	73,116
Income tax benefit	(2,241)	(12,409)	(8,596)
Equity in undistributed earnings of subsidiaries	(29,457)	(121,598)	36,267
Net income	$ 172,019	$ 123,210	$ 117,979
Other comprehensive income, net	31,620	10,008	12,026
Comprehensive income	$ 203,639	$ 133,218	$ 130,005

Condensed Combined Balance Sheets

	December 31,		
	2025	2024	2023
Assets:			
Cash and cash equivalents	$ 247,299	$ 466,738	$ 245,696
Available for sale securities	61,992	29,816	24,418
Loans held for investment, net of unearned income	—	—	10,858
Investment in subsidiaries:			
Bank subsidiaries	1,505,736	1,469,491	1,549,450
Nonbank subsidiaries	387,964	420,685	457,675
Other assets	167,477	215,158	254,960
Total assets	$ 2,370,468	$ 2,601,888	$ 2,543,057
Liabilities and Stockholders' Equity:			
Accounts payable and accrued expenses	$ 11,856	$ 20,845	$ 26,658
Notes payable	162,782	364,819	367,861
Stockholders' equity	2,195,830	2,216,224	2,148,538
Total liabilities and stockholders' equity	$ 2,370,468	$ 2,601,888	$ 2,543,057

Condensed Combined Statements of Cash Flows

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating Activities:			
Net income	$ 172,019	$ 123,210	$ 117,979
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in undistributed earnings of subsidiaries	29,457	121,598	(36,267)
Net realized gains on equity investments	(47,508)	—	—
Deferred income taxes	(946)	1,705	2,716
Other, net	7,564	2,042	21,473
Net cash provided by operating activities	160,586	248,555	105,901
Investing Activities:			
Repayment of advances to/investments in nonbank subsidiaries	15,000	21,269	15,000
Purchases of securities available for sale	(28,900)	—	(11,696)
Purchases of equity investments (including merchant banking investments)	(14,024)	(7,725)	(19,914)
Purchases of premises and equipment and other	(350)	(837)	(2,423)
Proceeds from sales of securities available for sale	—	4,701	—
Proceeds from sales/disposition of equity investments	72,606	9,654	—
Proceeds from sales of equity securities	6,549	—	—
Net change in loans held for investment	—	11,351	—
Net cash provided by (used in) investing activities	50,881	38,413	(19,033)
Financing Activities:			
Payments to repurchase common stock	(184,032)	(19,864)	(5,100)
Payments on notes payable	(200,000)	—	—
Dividends paid on common stock	(45,401)	(44,257)	(41,604)
Net cash contributed from (to) noncontrolling interest	(925)	(937)	832
Other, net	(548)	(868)	(1,187)
Net cash used in financing activities	(430,906)	(65,926)	(47,059)
Net change in cash and cash equivalents	(219,439)	221,042	39,809
Cash and cash equivalents, beginning of year	466,738	245,696	205,887
Cash and cash equivalents, end of year	$ 247,299	$ 466,738	$ 245,696
Non-cash distributions from merchant banking investments	$ 11,498	$ —	$ —

30. Selected Quarterly Financial Information (Unaudited)

Selected quarterly financial information is summarized as follows (in thousands, except per share data).

	Year Ended December 31, 2025				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
Interest income	$ 193,809	$ 200,261	$ 197,181	$ 192,799	$ 784,050
Interest expense	81,282	87,873	86,507	87,682	343,344
Net interest income	112,527	112,388	110,674	105,117	440,706
Provision for (reversal of) credit losses	7,824	(2,511)	(7,340)	9,338	7,311
Noninterest income	217,360	217,807	192,634	213,340	841,141
Noninterest expense	268,921	271,903	261,176	251,473	1,053,473
Income before income taxes	53,142	60,803	49,472	57,646	221,063
Income tax expense	10,218	14,129	11,583	13,114	49,044
Net income	42,924	46,674	37,889	44,532	172,019
Less: Net income attributable to noncontrolling interest	1,340	856	1,816	2,416	6,428
Income attributable to Hilltop	$ 41,584	$ 45,818	$ 36,073	$ 42,116	$ 165,591
Earnings per common share:					
Basic:	$ 0.69	$ 0.74	$ 0.57	$ 0.65	$ 2.64
Diluted:	$ 0.69	$ 0.74	$ 0.57	$ 0.65	$ 2.64
Cash dividends declared per common share	$ 0.18	$ 0.18	$ 0.18	$ 0.18	$ 0.72

	Year Ended December 31, 2024				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Full Year
Interest income	$ 208,590	$ 211,042	$ 207,143	$ 209,614	$ 836,389
Interest expense	103,106	105,999	103,493	105,993	418,591
Net interest income	105,484	105,043	103,650	103,621	417,798
Provision for (reversal of) credit losses	(5,852)	(1,270)	10,934	(2,871)	941
Noninterest income	195,590	200,443	193,305	181,618	770,956
Noninterest expense	262,757	264,312	256,464	250,023	1,033,556
Income before income taxes	44,169	42,444	29,557	38,087	154,257
Income tax expense	6,285	9,539	6,658	8,565	31,047
Net income	37,884	32,905	22,899	29,522	123,210
Less: Net income attributable to noncontrolling interest	2,365	3,212	2,566	1,854	9,997
Income attributable to Hilltop	$ 35,519	$ 29,693	$ 20,333	$ 27,668	$ 113,213
Earnings per common share:					
Basic:	$ 0.55	$ 0.46	$ 0.31	$ 0.42	$ 1.74
Diluted:	$ 0.55	$ 0.46	$ 0.31	$ 0.42	$ 1.74
Cash dividends declared per common share	$ 0.17	$ 0.17	$ 0.17	$ 0.17	$ 0.68

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CORPORATE INFORMATION

Corporate Headquarters

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www.hilltop.com

Transfer Agent and Registrar

Equiniti Trust Company, LLC
New York, New York
Toll free: (800) 937-5449
Telephone: (718) 921-8124

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
Dallas, Texas

Stock Symbol

Common Stock: HTH
New York Stock Exchange
NYSE Texas

Available Information

Hilltop Holdings Inc. makes available, free of charge, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, press releases, the Code of Business Conduct and Ethics and other company information. Such information will be furnished upon written request to:

Hilltop Holdings Inc.
6565 Hillcrest Avenue
Dallas, Texas 75205
Attn: Investor Relations

This information also is available on our website, www.hilltop.com. Reports we file with the Securities and Exchange Commission also are available at www.sec.gov.

Board of Directors*

Jeremy B. Ford – Chairman
Rhodes R. Bobbitt
Dana Bober
J. Taylor Crandall
Hill A. Feinberg
Stephen Haworth
Lee Lewis
Thomas C. Nichols
W. Robert Nichols, III
Kenneth D. Russell
Jonathan S. Sobel
Robert C. Taylor, Jr.
Carl B. Webb

Executive Officers

Jeremy B. Ford
Chairman, President and Chief Executive Officer of Hilltop Holdings Inc. and Chairman and Chief Executive Officer of PlainsCapital Bank

William B. Furr
Executive Vice President, Chief Financial Officer

Corey G. Prestidge
Executive Vice President, General Counsel and Secretary

Darren E. Parmenter
Executive Vice President, Chief Administrative Officer

Keith E. Bornemann
Executive Vice President, Chief Accounting Officer

Stephen Thompson
President and Chief Executive Officer of PrimeLending

M. Bradley Winges
President and Chief Executive Officer of HilltopSecurities

* Biographical information for directors is contained under the heading “Proposal One – Election of Directors – Nominees for Election as Directors” beginning on page 2 of the Proxy Statement.

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