



Lake Ridge
BANCORP, INC.™

2024 ANNUAL SHAREHOLDERS MEETING

GO FAR. GO TOGETHER.



Lake Ridge
BANCORP, INC.™

WELCOME TO THE
2024 ANNUAL SHAREHOLDERS MEETING

The meeting will start promptly at 6:00 pm.

Thank you for your investment in Lake Ridge Bancorp, Inc.

AGENDA

- I. Welcome and Proxy Results**
Vern Jesse, Chairman of the Board

- II. Lake Ridge Bank's Vision**
Paul Hoffmann, President

- III. State of the Banking Industry**
Jim Tubbs, Chief Executive Officer



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I. WELCOME AND PROXY RESULTS

Vern Jesse, Chairman of the Board

VERIFICATION OF A QUORUM

Total Shares Outstanding **1,962,686.094**

Shares Voted

Percent Voted

Quorum Established

ELECTION OF CLASS I DIRECTORS

(Term Expires 2026)



Mark Burish



Pete Gunderson

ELECTION OF CLASS II DIRECTORS

(Term Expires 2027)



Cathy Durham



Steve Eager



Chris Homburg



Jim Tubbs

APPOINTMENT OF WIPFLI LLP

To ratify the appointment of Wipfli LLP as the Company's independent registered public accounting firm.

BOARD OF DIRECTORS

Class I (2026)



Mark Burish
Holding Co.



Steve Grundahl
Holding Co. & Bank



Pete Gunderson
Holding Co.



Paul Hoffmann
President

Class II (2027)



Cathy Durham
Holding Co. & Bank



Chris Homburg
Holding Co. & Bank



Steve Eager
Holding Co.



Jim Tubbs
CEO

Class III (2025)



Sam Ballweg
Holding Co.



Tom Gannon
Holding Co.



Ron Krantz
Holding Co. & Bank

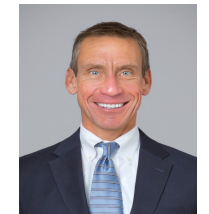


Mike Blake
Holding Co. & Bank



Vern Jesse
Holding Co. & Bank

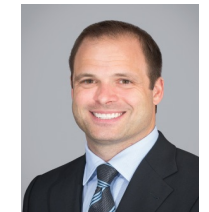
Bank Only



Tim Carey
Bank



Greg Jones
Bank



Dan Kuehn
Bank



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II. LAKE RIDGE BANK'S VISION

Paul Hoffmann, President

LIVING OUR MISSION

MISSION

Build prosperous communities, one relationship at a time.

VALUES

Be Extraordinary, Growth Mindset, Trustworthy, Teamwork, and Community.

VISION

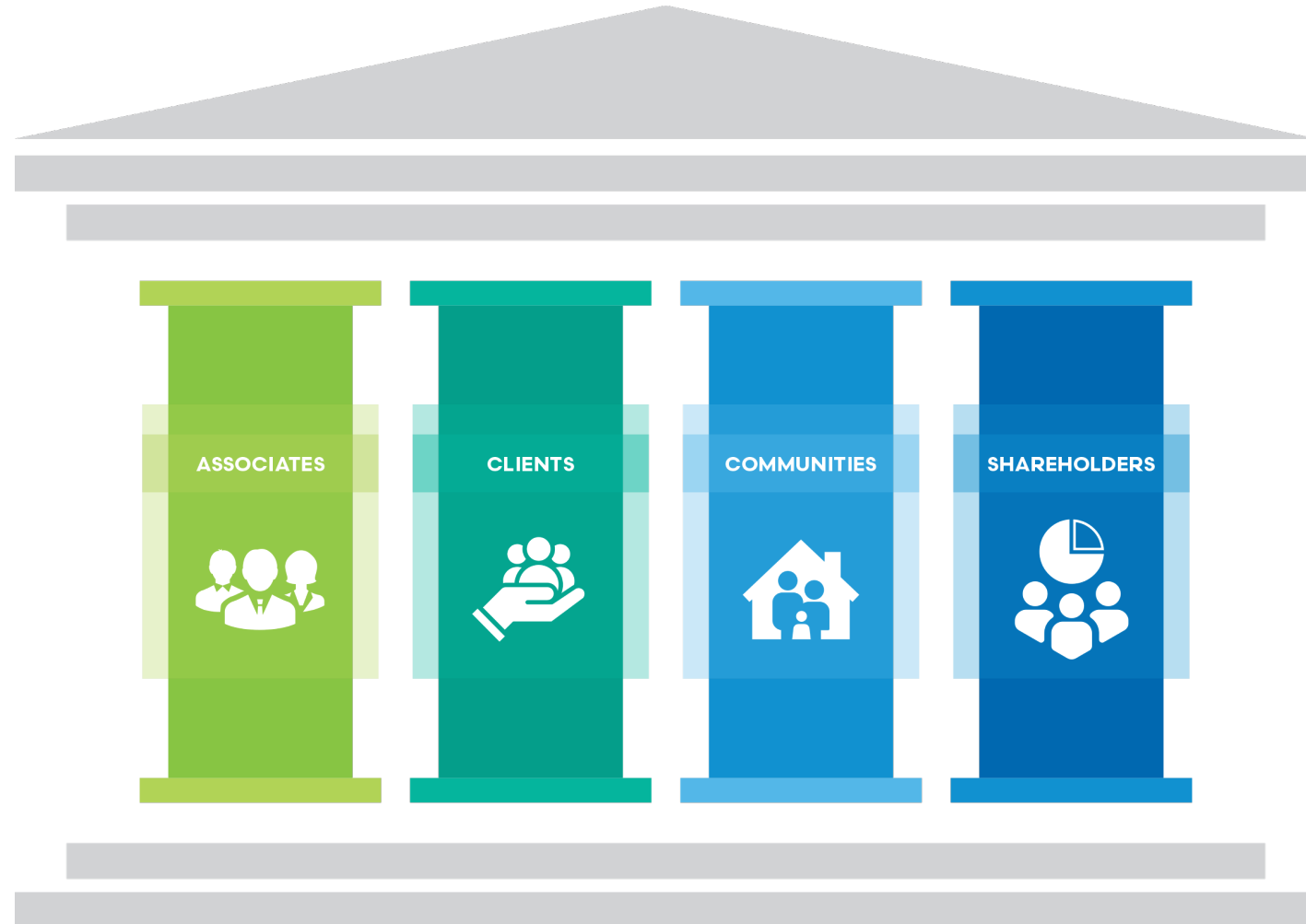
Go Far. Go Together.



STRATEGIC INITIATIVES



OUR BANK IS BUILT ON “Four Pillars”



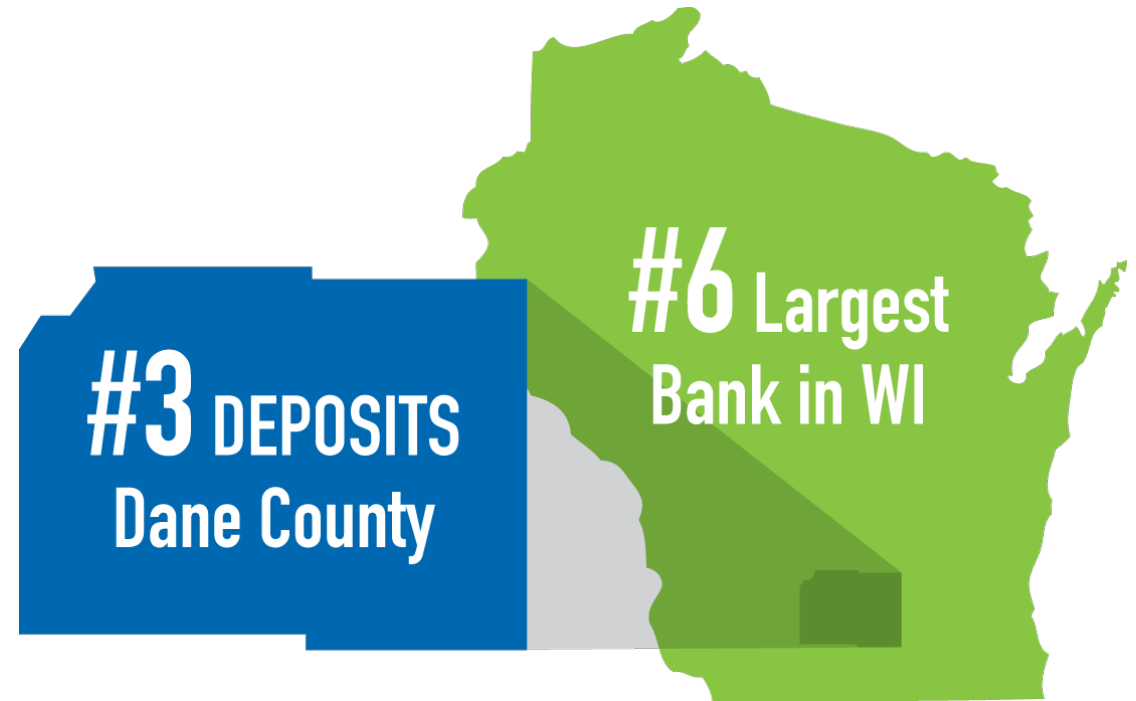
ASSOCIATES

Our Associates prosper when we promote a culture of teamwork and mutual respect to enable them to deliver extraordinary service.



CLIENTS

We are committed to offer products and services that are easy to understand, simple to use, and mutually beneficial.



In addition to our locations in Rock, Green and Sauk counties

COMMUNITIES

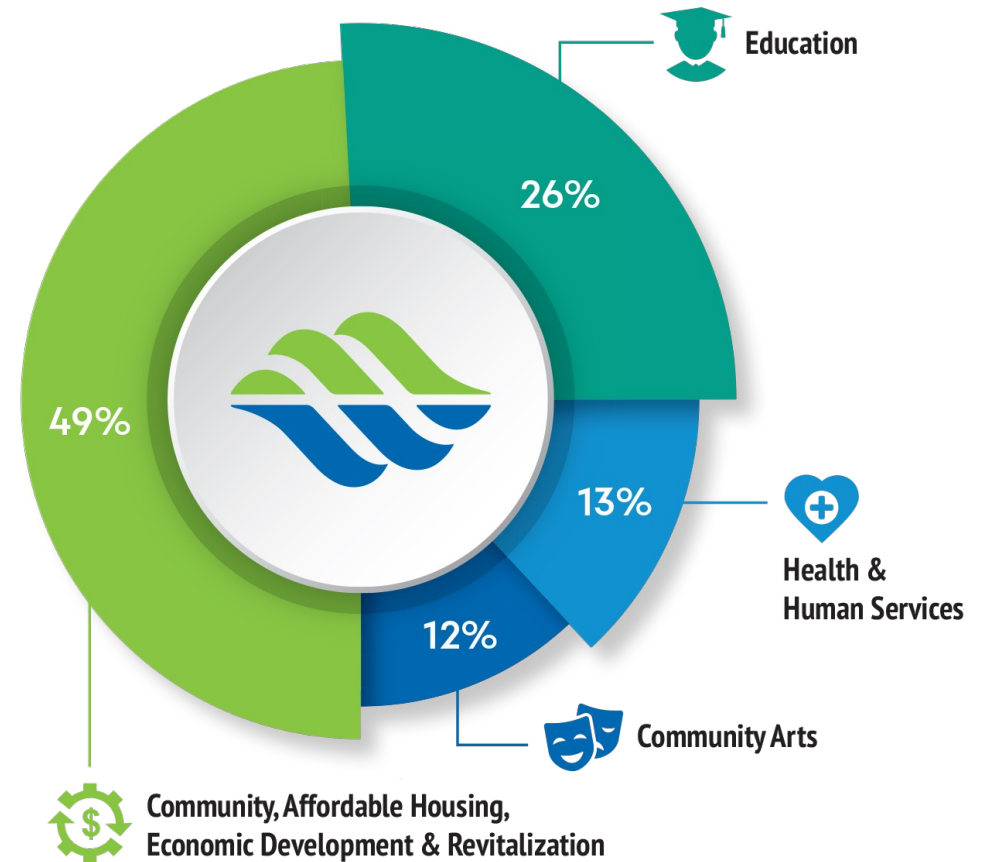
Our communities prosper through our commitment to their economic success and growth.



COMMUNITIES

The bank and our associates give their time, money, and expertise to improve their community's prosperity.

Donations and Sponsorships



SHAREHOLDERS

Our shareholders prosper through consistent and solid long-term financial performance.



Multi-generational Shareholders

- DRIP Program Sign-up
- Dividend Direct Deposit Sign-up
- Private Long-term Investment



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III. STATE OF THE BANKING INDUSTRY

Jim Tubbs, Chief Executive Officer

CONTINUED HEADWINDS

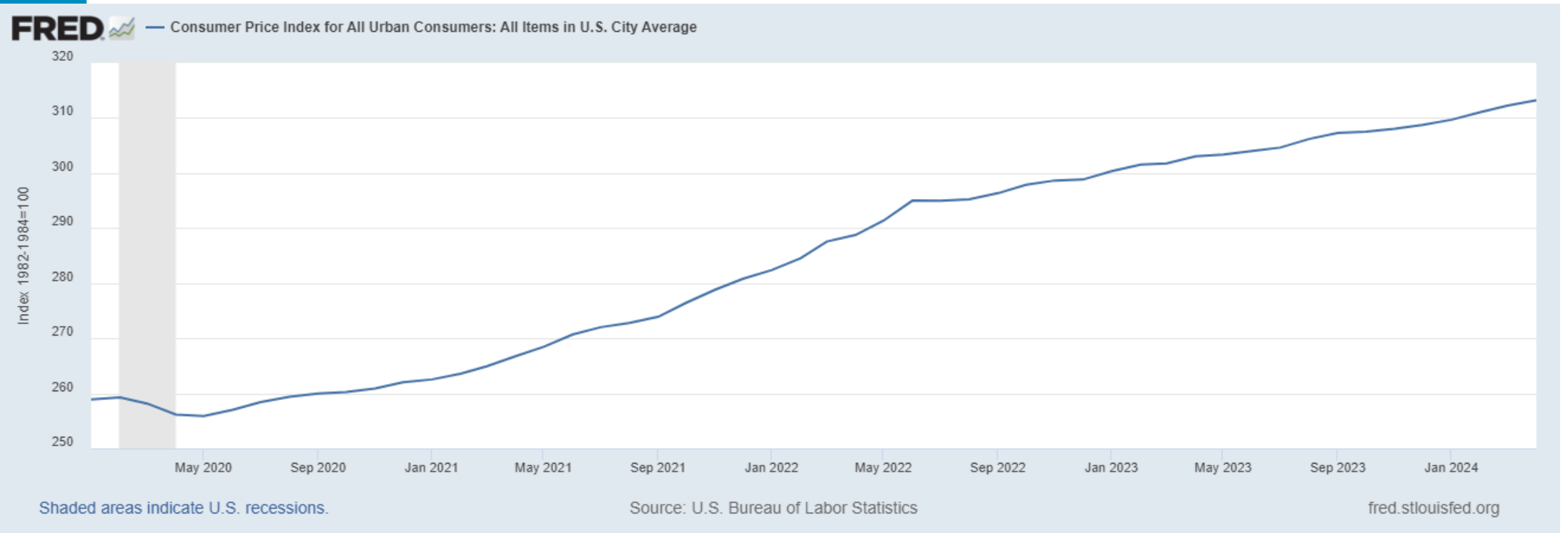
1. Rapid rising interest rates.
2. Inverted yield curve.
3. Unpredictability of rate cuts.

COVID RELIEF PACKAGE

a/k/a Cares Act

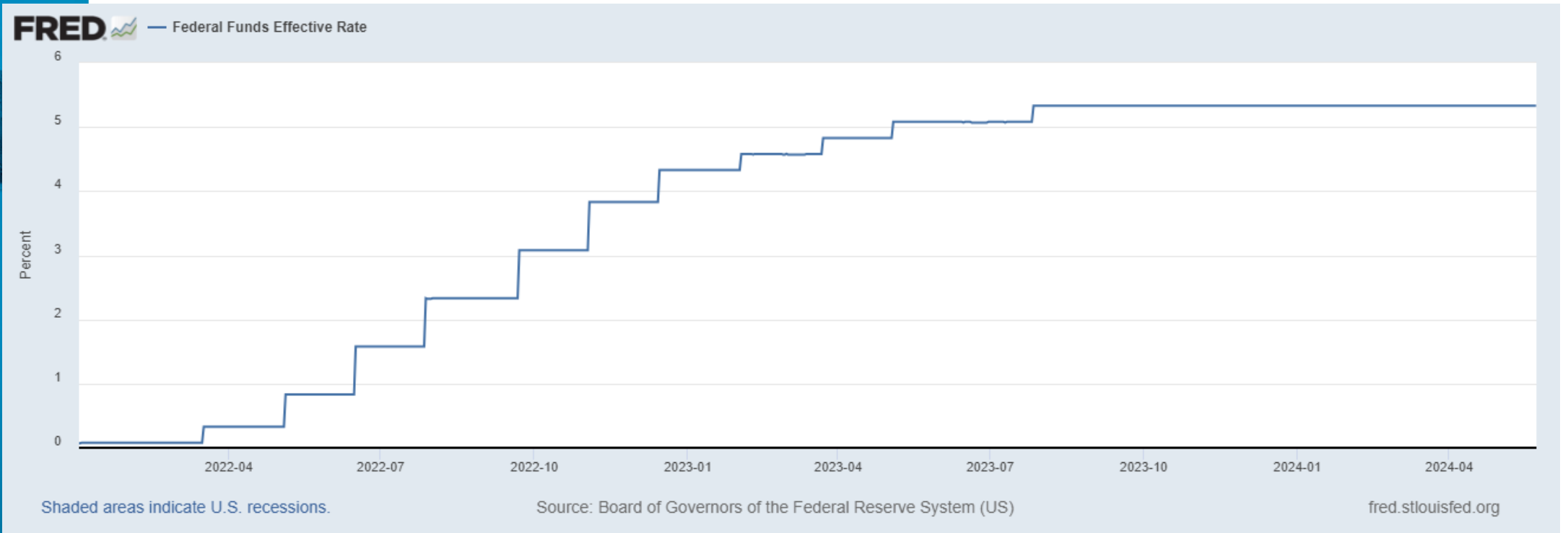
Provided over \$3 trillion into the economy over a few years.

INFLATION 1/1/20 PRE-COVID to TODAY



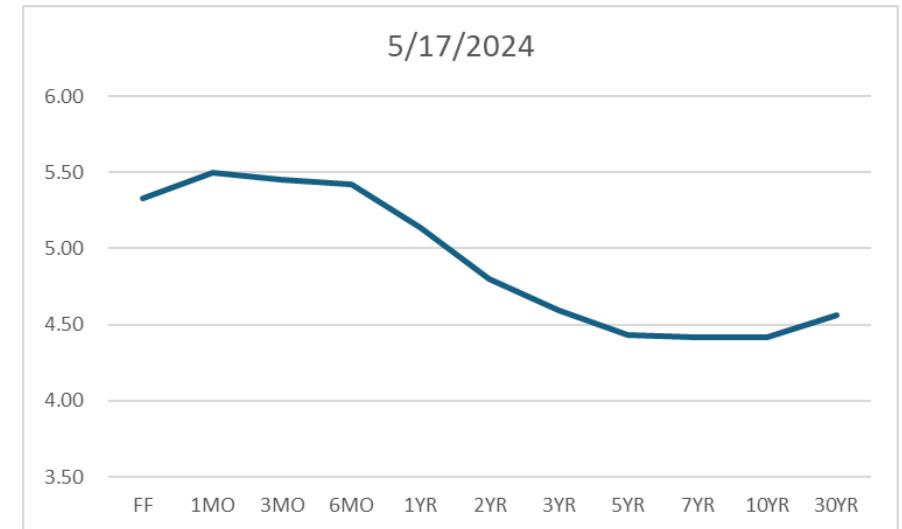
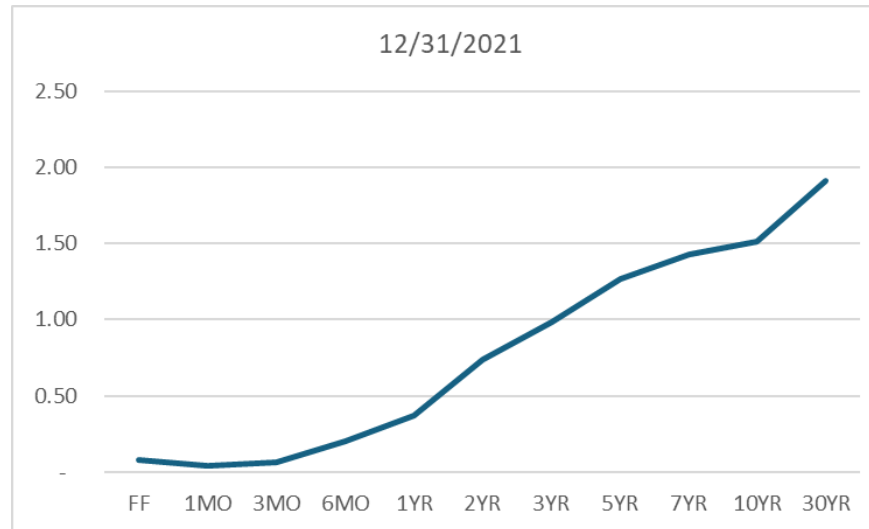
TO SLOW/COOL DOWN THE ECONOMY

(Slow spending → Reduce borrowing)



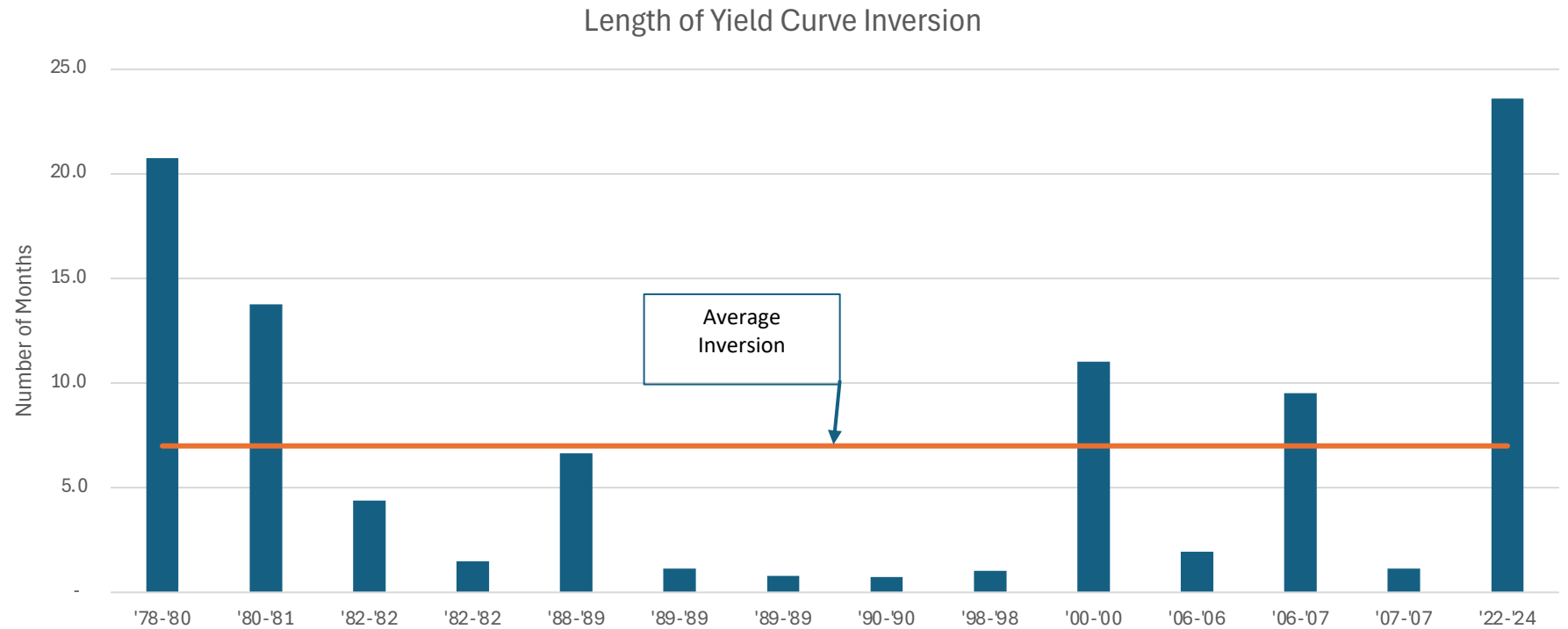
FED rapidly rose interest rates

INVERTED YIELD CURVE

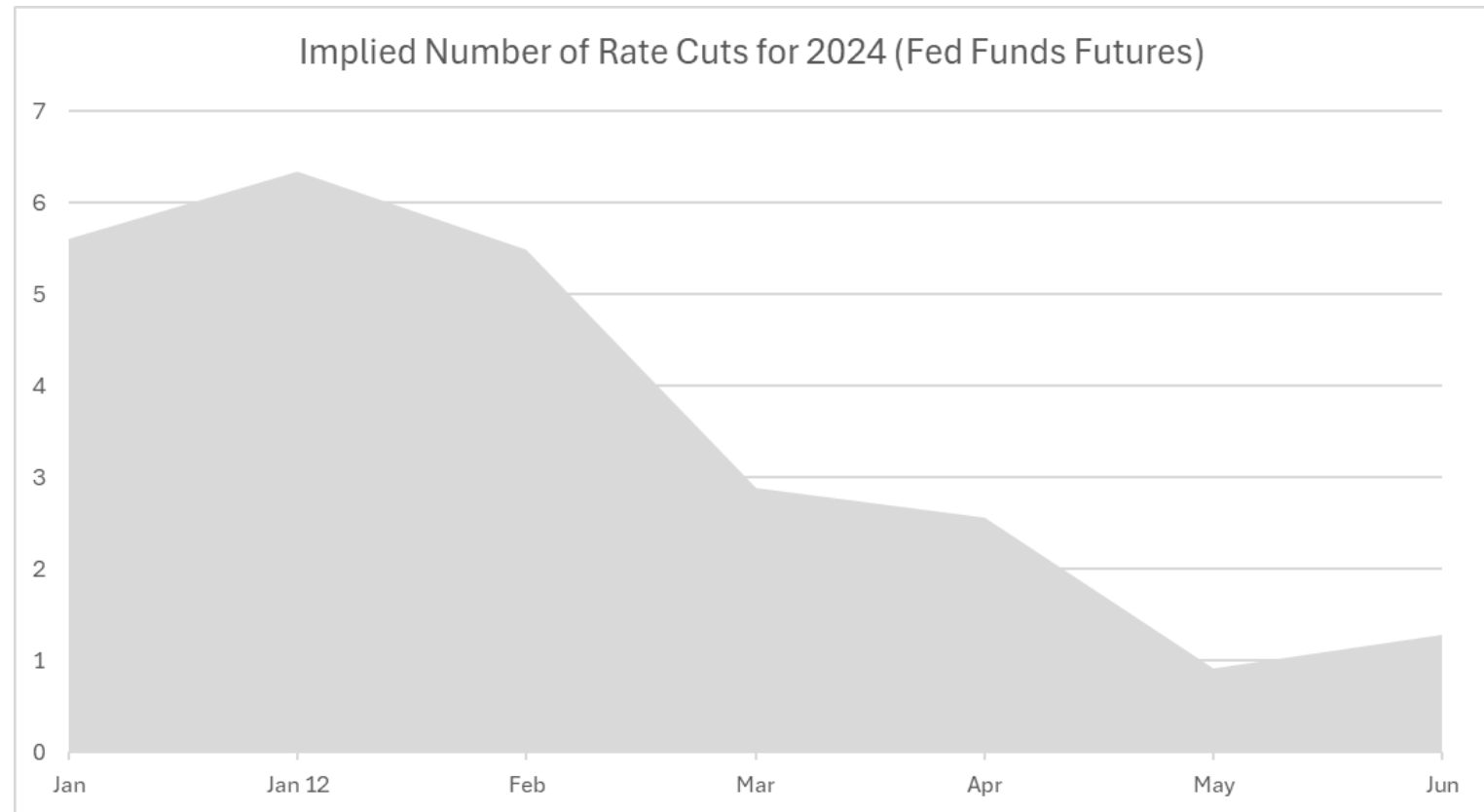


Deposit Cost (short-term liabilities) increases faster/higher than
Loan Revenue (long-term assets) = Squeeze Margin

PROLONGING THE PROBLEM



UNPREDICTABLE/UNRELIABLE RATE FORECAST



IMPACT TO THE FINANCIAL INDUSTRY



KBW NASDAQ Bank Index (16.4%)

WHAT ARE MY SHARES WORTH?

DATA POINTS:

Book value per share (12/31/2022)	\$121.53
Book value per share (12/31/2023)	\$129.20
ESOP valuation (12/31/2023)	\$126.05

Be careful using “last trade value”,
you do not know the motivations of the buyer or seller.

HOW THIS RATE CYCLE IS IMPACTING LAKE RIDGE BANK

(Squeeze Margin)

Net interest income components

In thousands	2022 (PF)	2023	Change
Interest income	\$ 105,290	\$ 137,956	31%
Interest expense	13,445	62,097	362%
Net interest income	\$ 91,845	\$ 75,859	(17%)

<i>As a percentage of average assets</i>	2022 (PF)	2023
Interest income	3.70%	4.68%
Interest expense	0.47%	2.11%
Net interest income	3.23%	2.57%

WHAT ARE WE DOING ABOUT THIS REDUCTION IN PROFITABILITY?

- Reducing interest rates on certain products
- Reducing staff
 - Voluntary retirements
 - Department realignments
- Reviewing all significant vendor contracts for renegotiation
- Additional constraints on marketing/promotion expenses
- Analyzing office/facility needs
- Creating a Small Business Banking Model

Just to name a few items

POSITIVES FOR LAKE RIDGE BANK

- Diversified revenue:
 - Wealth management
 - Credit/debit card interchange income
 - Residential mortgages
 - Crop insurance
- High level of core deposits
- Strong credit quality
- Depth of great talent

MISSION REMAINS THE SAME:

Creating long-term
shareholder value!



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Any Questions?



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THANK YOU FOR YOUR
INVESTMENT AND TRUST IN
LAKE RIDGE BANK

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