



February 14, 2025

Dear Valued Shareholder,

I hope this letter finds you well and your 2025 is off to a great start. As always, we deeply appreciate your continued support and commitment to Lake Ridge Bancorp, Inc. I am writing to inform you of an important decision we have made. After careful consideration and extensive discussions with our Board of Directors, management team, and external advisors, we have made the strategic decision to transition our stock trading activity to OTC Markets Group, Inc. (OTCQX).

The OTCQX is a premier Over the Counter (OTC) market for established, investment focused companies, and it represents an opportunity for us to broaden our shareholder base, increase liquidity, and raise our profile in the marketplace. This move is in line with our ongoing commitment to enhance shareholder value and ensure that Lake Ridge Bank remains a trusted well-regarded institution.

Lake Ridge Bancorp, Inc. (“Lake Ridge”) begins trading on the OTCQX on February 14, 2025, under the symbol “**LRBI**”. I would like to take this opportunity to provide you with insight into the reasoning behind this move and how it aligns with our broader strategic goals.

Why the OTC Market?

1. **Greater Liquidity:** OTCQX is a regulated market with transparent trading practices, which can improve the liquidity of our stock. As more investors become aware of Lake Ridge and its performance, this could lead to increased trading activity and more efficient pricing of Lake Ridge shares, which may benefit all shareholders.
2. **Increased Access to Capital:** This change opens up new avenues for potential investors and broadens our visibility in the financial community. The OTCQX market provides flexibility and access to a wide range of investors who are looking for opportunities in community banks such as ours.
3. **Regulatory and Cost Efficiency:** The decision to transact on the OTCQX market comes after a thorough analysis of the associated regulatory environment and costs of listing on a national exchange. While the major exchanges (NYSE, NASDAQ) offer significant exposure, their regulatory requirements and associated costs can be burdensome for an entity of our size. The OTCQX market provides a balanced solution, offering public market access with a more manageable regulatory framework without the significant financial burden.
4. **Focus on Core Business:** By choosing the OTCQX market, we remain focused on our core mission of serving our communities. We can continue building our strong relationships with clients, supporting local businesses, and driving economic growth within the regions we serve – all while maintaining the flexibility to adapt quickly to market changes.



5. **Strategic Growth and Acquisitions:** The OTCQX may provide Lake Ridge Bancorp, Inc. with additional visibility and access to potential strategic partners for acquisitions, collaborations, or growth opportunities. Having a market traded share price can facilitate these types of strategic discussions and partnerships, supporting our long-term goals.

What Does This Mean for You as a Shareholder?

We understand this decision may raise some questions and want to reassure you that our commitment to maximizing shareholder value remains as strong as ever. As a shareholder, you will have the ability to buy and sell your shares through the OTCQX market. We are confident this move will allow us to more effectively serve both our current shareholders and future investors.

We are also committed to maintaining transparency in our financial reporting and communication. As part of this transition, we will continue to provide you with regular updates on our performance and strategy through our quarterly earnings reports, annual shareholder meetings, and other direct communications.

In order to answer some of the questions you may have, we have enclosed a “Frequently Asked Questions” document. We have done our best to try to proactively address many of the questions that may arise.

Should you have additional questions or require further clarification about this change, please do not hesitate to reach out to Joanne Bell, Executive Assistant and Head of Shareholder Services, at (608)-223-2187 or shareholderservices@lakeridge.bank

Thank you for your ongoing confidence in Lake Ridge Bank. We look forward to continuing to build a successful future together.

Sincerely,

Jim Tubbs
Chief Executive Officer
Lake Ridge Bank
Lake Ridge Bancorp, Inc.

This letter contains forward-looking statements. Forward-looking statements are statements that predict or estimate the happening of future events, are not based on historical fact and can be identified because they contain words such as “may,” “will,” “expect,” “should,” “could,” “estimate,” “possible,” or similar terms. Forward-looking statements are based on management’s then current views and assumptions and, as a result, are subject to numerous risks and uncertainties that could cause actual results to differ materially from those projected. Future operating results of Lake Ridge are impossible to predict, and no representation is to be inferred from the forward-looking statements contained herein.

Go Far. Go Together.

