



January 9, 2025

Dear Denali Bancorporation, Inc. Shareholders,

I'm pleased to inform you that the Board of Directors declared a dividend during their December meeting in the amount of **\$0.85** per share, payable January 9, 2025. Accordingly, you will receive either a direct deposit or dividend check in the amount of \$0.85 multiplied by the number of shares owned as of the shareholder-of-record date, January 2, 2025. This is a \$0.05 per share increase over the prior year dividend amount.

The Bank will report another year of strong earnings in 2024. Strong performance over several years has allowed the Bank to grow the dividend from \$0.15 per share in 2009 to \$0.85 per share currently, a yield of approximately 6.2% per share based on 2024 projected fiscal year end book value.

The Bank successfully deployed strong deposit growth immediately following the COVID pandemic into the Bank's diversified loan pool, fueling increased earnings and return on assets. The Bank's plan to implement a strategically diversified loan portfolio while closely managing asset duration served the Bank well in the rapidly rising rate environment of the prior year and now also in the current declining rate environment.

Although inflation has improved and interest rates have come down, many domestic and international economic and political challenges remain that could impact interest rates. Locally, tourism has recovered, military missions continue to grow, and although building costs and workforce challenges have slowed the local housing market, management remains cautiously optimistic about the future.

We are thankful for the opportunity to provide banking services to our shareholders and customers in Interior Alaska, and we wish you all a healthy and successful 2025.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Lundgren", is positioned above the printed name.

Steve Lundgren
President and CEO