



January 9, 2026

Dear Denali Bancorporation, Inc. Shareholders,

I am pleased to inform you that at its December meeting, the Board of Directors declared a dividend of \$1.00 per share, payable January 9, 2026. Shareholders of record as of January 2, 2026 will receive payment via direct deposit or dividend check in the amount of \$1.00 multiplied by the number of shares owned. This represents a \$0.15 per share increase over the prior year.

The Bank will report another strong year of earnings for 2025. Consistent performance over many years has enabled Denali State Bank to grow its dividend from \$0.15 per share in 2009 to \$1.00 per share today, reflecting a yield of approximately 6.2% based on projected 2025 fiscal year-end book value.

Following the COVID-19 pandemic, the Bank successfully deployed significant deposit growth into our diversified loan portfolio, supporting increased earnings and return on assets. Our long-term strategy of maintaining a diversified loan mix while closely managing asset duration has continued to serve us well—first in a rapidly rising rate environment, and now in a declining rate environment.

While inflation has moderated and interest rates have begun to ease, domestic and global economic and political uncertainties remain that could affect rates ahead. Here at home, tourism has rebounded, military missions continue to expand, and although higher building costs and workforce constraints have slowed the local housing market, management remains cautiously optimistic.

As previously announced, I will retire on January 12, 2026, after 17 years with Denali State Bank. Ryan Strong will succeed me as President and Chief Executive Officer. Ryan joined the Bank this summer and brings extensive banking experience in both Anchorage and Fairbanks. I encourage you to stop by our Main Office to meet him when you have the opportunity.

We are grateful for the continued trust of our shareholders and for the privilege of serving Interior Alaska. We wish you a healthy and successful 2026.

Sincerely,

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

Steve Lundgren
President and CEO