

A LETTER FROM THE PRESIDENT

Community partnership has always been woven into everything we do, and this quarter was a meaningful reflection of that commitment. From honoring individuals who have shaped our region to recognizing emerging leaders and supporting those who serve on the frontlines, each moment highlighted the strength and heart of our communities.

That same commitment continues to guide the meaningful work taking place across the communities we serve, including our current construction at the new location in Janesville. This new development reflects our approach to grow with intention and care. Together, these efforts reinforce our focus on moving with purpose, investing thoughtfully, and building a solid foundation for the long-term success of Sauk Valley Bank.

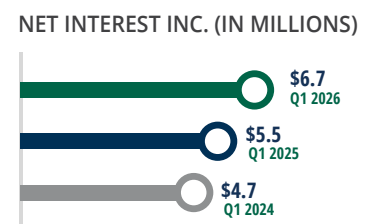
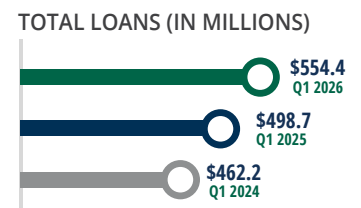
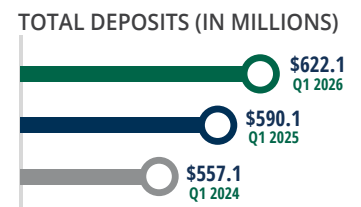
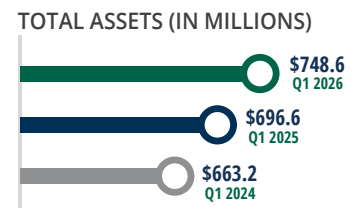
FINANCIAL SUMMARY

As of March 31, 2026, consolidated total assets were \$748.6 million, up \$52.0 million, or 7.5%, from the prior year. Growth was driven primarily by continued loan expansion, reflecting sustained demand across our markets. Total loans were \$554.4 million at quarter-end, representing year-over-year growth of \$55.7 million, or 11.2%. The commercial portfolio continued to lead, increasing \$34.2 million from the prior year and remaining the largest contributor to asset growth. Agricultural and residential lending also posted solid gains. We continue to see attractive opportunities in the communities we serve and expect loan growth to remain supported through the remainder of the year.

Total deposits were \$622.1 million as of March 31, 2026, an increase of \$32.0 million, or 5.4%, compared to the same period last year. Certificates of deposit increased \$12.5 million year over year, while interest-bearing transaction accounts also recorded modest growth. Despite ongoing competitive pressures, overall funding costs have remained manageable, supported by strong core customer relationships and disciplined pricing strategies. Our continued focus is on relationship-based deposit growth while balancing profitability and liquidity.

Net income for the first quarter was \$1.4 million, an increase of 39% compared to the same period last year. Improved earnings were driven by continued loan growth and a favorable interest rate spread, supported by disciplined management of funding costs. Net interest income increased 21% year over year to \$6.7 million, reflecting higher earning-asset balances and lower overall interest expense. Overall, first-quarter results reflect positive momentum, with strong earnings performance, continued loan growth, and stable deposits positioning us well for the remainder of 2026.

PERFORMANCE AT A GLANCE



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GUIDING OUR FUTURE

Sauk Valley Bank is excited to announce plans for a new full-service branch at 1135 Black Bridge Road in Janesville, Wisconsin, expected to open in the third quarter of 2026. The new location will provide convenient access to high-quality financial services while strengthening our presence in the Janesville area. This project also highlights our valued partnership with FS Builders, Inspired Spaces, and The Design Alliance, whose collaboration has been instrumental in bringing this vision to life.

Looking ahead, we remain focused on steady, long-term progress and delivering meaningful impact through responsive, personalized service that meets the evolving needs of our customers. We continue to invest in our people, technology, and processes to ensure every interaction reflects our commitment to reliability, accessibility, and financial expertise. Thank you for your continued trust and confidence in Sauk Valley Bank as we move forward together.

COMMUNITY IMPACT

Community involvement remains our central focus, shaping how we connect, show up, and give back. By supporting those who serve others and celebrating the individuals who make a difference, we continue to reinforce our belief that strong communities grow from genuine connection and shared purpose.

We celebrated Pam Fluck's dedicated service as SVACC Board President, recognized Gracie Young as a Sauk Valley Under 40 Emerging Leader, and honored Suzy Perino's incredible 25-year legacy with Sauk Valley Bank. We applauded Ashley Crawford, Ben Hoffman, and Yadira Woythal for each earning a RADAR Award at the Q1 RADAR meeting, where we welcomed keynote speaker Travis Frederick, retired Dallas Cowboys player.

We also proudly supported our local heroes through a heartfelt thank-you to the Sterling Fire Department. Together, these moments reflect our belief that strong communities are built by investing in people.

Dirk Meminger
DIRK MEMINGER
 President & CEO

SAUK VALLEY BANK CELEBRATES SUZY PERINO ON 25 YEARS OF SERVICE



We are proud to celebrate Suzy Perino and her remarkable 25 years with Sauk Valley Bank. For a quarter of a century, she has shaped our culture, strengthened our relationships, and has shown a devoted commitment to helping our community grow.

Way to go Suzy!



Gracie Young honored with the Sauk Valley Under 40 Emerging Leader Award & Pam Fluck honored on her retirement after serving as SVACC Board President



Dawn Harrielle and Bailey Schniederbauer with the Sterling Fire Department



Celebrating Ashley Crawford's achievement as one of our Q1 RADAR Award winners



RADAR Q1 keynote speaker Travis Frederick (retired Dallas Cowboys) with Dirk



Greater Beloit Chamber of Commerce Annual Dinner