



# **SIERRA BANCORP**

*Parent Company for Bank of the Sierra*

**2026 SOUTHERN CALIFORNIA BANK INVESTOR SYMPOSIUM**

**MARCH 17, 2026**

**DANA POINT, CALIFORNIA**

**RAYMOND JAMES**

# SAFE HARBOR STATEMENT

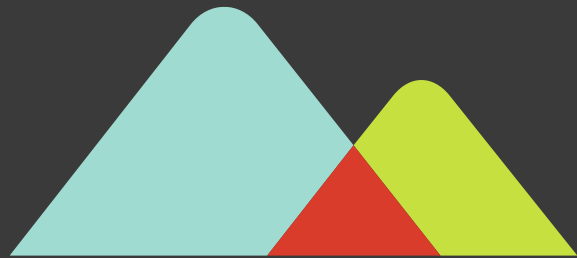
**This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of Sierra Bancorp's management and are:**

- subject to contingencies & uncertainties
- not a guarantee of future performance
- based on assumptions that may change
- not to be unduly relied on

**Actual results may differ from those set forth in the forward-looking statements. Factors that could cause Sierra Bancorp's actual results to differ materially from those described in the forward-looking statements include:**

- changes to current interest rates, including changes to the steepness of current inverted yield curve, and the impact of changes on our earning assets, interest-bearing liabilities, and related net interest income
- changes to national and local economies including inflation and the labor market resulting from modifications to trade and fiscal policies, including tariffs and government shut-downs, and other factors
- loan portfolio performance including growth, prepayment speeds, yields, and credit quality, including the impact of changes in rates on our customer's ability to repay
- changes to our allowance for credit losses due to economic factors used as key inputs, changes in credit quality, and the impact of other assumptions
- changes to the collateral values supporting nonperforming assets that could result in recognition of charge-offs or direct write down of foreclosed assets
- changes to statutes, regulations, interpretations or practices
- changes or updates to generally accepted accounting principles
- liquidity risks, including the ability to effectively manage and retain low interest-bearing accounts in a continued elevated rate environment and the ability to maintain sufficient levels of available borrowing sources and liquid assets
- the outcome of any existing or future legal action
- the Company's ability to maintain and grow its core deposits, including uninsured deposits
- the Company's ability to successfully deploy new technology and manage cyber security risks
- the Company's ability to attract and retain skilled employees
- the risk to the Company's operations and ability to serve customers due to the inability of a vendor to meet its service level agreements

**For more detail on these and other risks, please see Sierra Bancorp's Annual Report on Form 10-K for the year ended December 31, 2025, and Quarterly Reports on Form 10-Q for the quarterly periods ended March 2025, June 2025 and September 30, 2025 which have been filed with the Securities and Exchange Commission and are available on Sierra Bancorp's website (<https://sierrabancorp.com>), and on the Securities and Exchange Commission's website ([www.sec.gov](http://www.sec.gov)). Sierra Bancorp does not undertake to update any forward-looking statements contained in this document.**



**SIERRA BANCORP**

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**INTRODUCTION**

# SIERRA BANCORP OVERVIEW

## SIERRA BANCORP (NASDAQ: BSRR)

Recent Stock Price<sup>1</sup>: \$33.04

Price/TTM Earning<sup>1</sup>: 10.62x

Price/Consensus 2026 Earnings<sup>1</sup>: 9.23x

Price/Tangible Book Value<sup>1</sup>: 1.30x

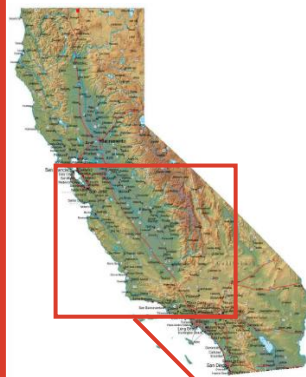
Most recent quarterly dividend<sup>2</sup>: \$0.25

Dividend Yield<sup>1,2</sup>: 3.03%

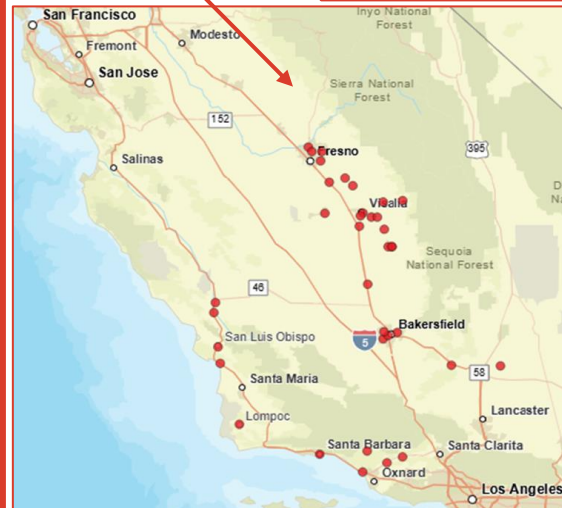
Market Capitalization<sup>1</sup>: \$438.6MM

**Repurchased 1,024,792 shares, or 7%, in 2025**  
**Repurchased 263,632 shares year-to-date in 2026**  
**Current Repurchase Plan expires 10/31/2026**

## CENTRAL CALIFORNIA BASED



**34 branches located throughout California's Central Valley and Central Coast regions**



## COMPANY BACKGROUND

Bank of the Sierra opened in Porterville, CA in 1978 as a single-branch bank

Sierra Bancorp was formed as the holding company for the Bank in 2001

The Company has reached \$3.8 billion in assets, with 34 offices

Bank of the Sierra maintains its community bank roots providing personal service to small- and medium-sized businesses throughout our footprint, as well as over 95,000 consumer customers

Recognized as a top-ranked California bank by Forbes in 2025

KBRA ratings of BBB and BBB+ for senior unsecured debt for Sierra Bancorp and Bank of the Sierra, respectively

Mortgage warehouse lender for over twenty years

1. Stock data and metrics as of close of trading on March 11, 2026.

2. Dividend announced on January 30, 2026, paid on February 17, 2026, to shareholders of record as of February 9, 2026. This \$0.26 per share dividend this quarter marked the Company's 108<sup>th</sup> consecutive quarterly cash dividend.

# STRATEGIC OBJECTIVES

## PROFITABILITY



**Be a top performing bank with 10% annualized EPS growth**

## PEOPLE



**Attract and retain the best talent**

## PROCESS & TECHNOLOGY



**Enhance customer experience across all touchpoints**

# STRATEGIC TACTICS



## PROFITABILITY

Management believes it can achieve 10% EPS by utilizing a 5-2-0 model for growth of margin, noninterest income, and noninterest expense, respectively

- Expects to improve margin through growth of low-cost deposits and modest loan growth
- Seeks low-single digit noninterest income growth primarily through growth of money service business fees and debit card interchange
- Intends to remain laser-focused on expense management to maintain our overall cost structure

Plans to supplement income growth with dividends and share repurchases

Anticipates to selectively complement organic income growth with a compelling strategic acquisition



## PEOPLE

Foster a work environment that attracts and retains high-performing individuals

Strengthen our One Bank Program, helping each other regardless of our differences, united and working together for a greater purpose

Promote a culture of engagement and accountability, which rewards strong performance

Enhance succession plans to ensure we have deep talent across the organization

Improve training and development programs with a focus on service and sales

Design compensation plans to align employee interests with those of shareholders



## PROCESS & TECHNOLOGY

Elevate the customer experience across all touchpoints

Expand or improve product offerings tailored to our customer base

Align our digital strategy with our overall strategy

Continue to enhance loan monitoring and oversight to identify any credit concerns as early as possible

Improve operational efficiency across the Bank

Streamline our Mortgage Warehouse delivery process to improve efficiency, service, and profitability

# COMPANY CULTURE

## Make Every Community We're a Part of Better



**Keep Thinking**

Anticipate and meet needs with a broad range of solutions

**Keep Serving**

Provide quality service on a timely, competitive basis

**Keep Learning**

Be passionate about being the right person on the team

**Keep Growing**

Encourage creativity and maximize every opportunity to improve

**Keep Giving**

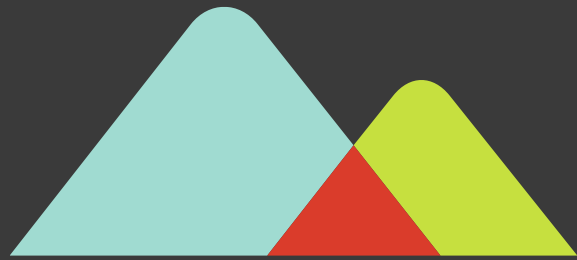
Serve our communities through involvement and reinvestment

**Keep Striving**

Be disciplined; aim for excellence

**Keep Smiling**

Enjoy the journey and have fun along the way



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**INVESTMENT CONSIDERATIONS**

# INVESTMENT CONSIDERATIONS

Bank of the Sierra is the premier community bank in California's South-Central Valley

## Excellent Core Deposit Base

- Granular deposit base with approximately 120,000 customer accounts across 34 branches
- Anchored by approximately 35% noninterest bearing deposits driving a consistent low cost of deposits
- Number one for deposit market share in our headquarters county

## Strong Fee Income Base

- Debit card interchange is the primary fee source, driven by active use across ~95,000 consumer accounts
- Deposit analysis fees from money services businesses in our footprint remain a solid income source
- Significant activity-based overdraft charges due to the Bank's large Central California consumer base
- Income from CRA-eligible SBIC investments and bank-owned life insurance compliment fee income

## Diversified Earning Assets

- Recent loan growth led by our national Mortgage Warehouse Division, funded with short-term liabilities
- Local commercial teams focused on real estate and other commercial lending across Central California
- Investment portfolio with a mix of bonds designed to address interest rate risk while providing a strong source of earnings

## Solid Asset Quality

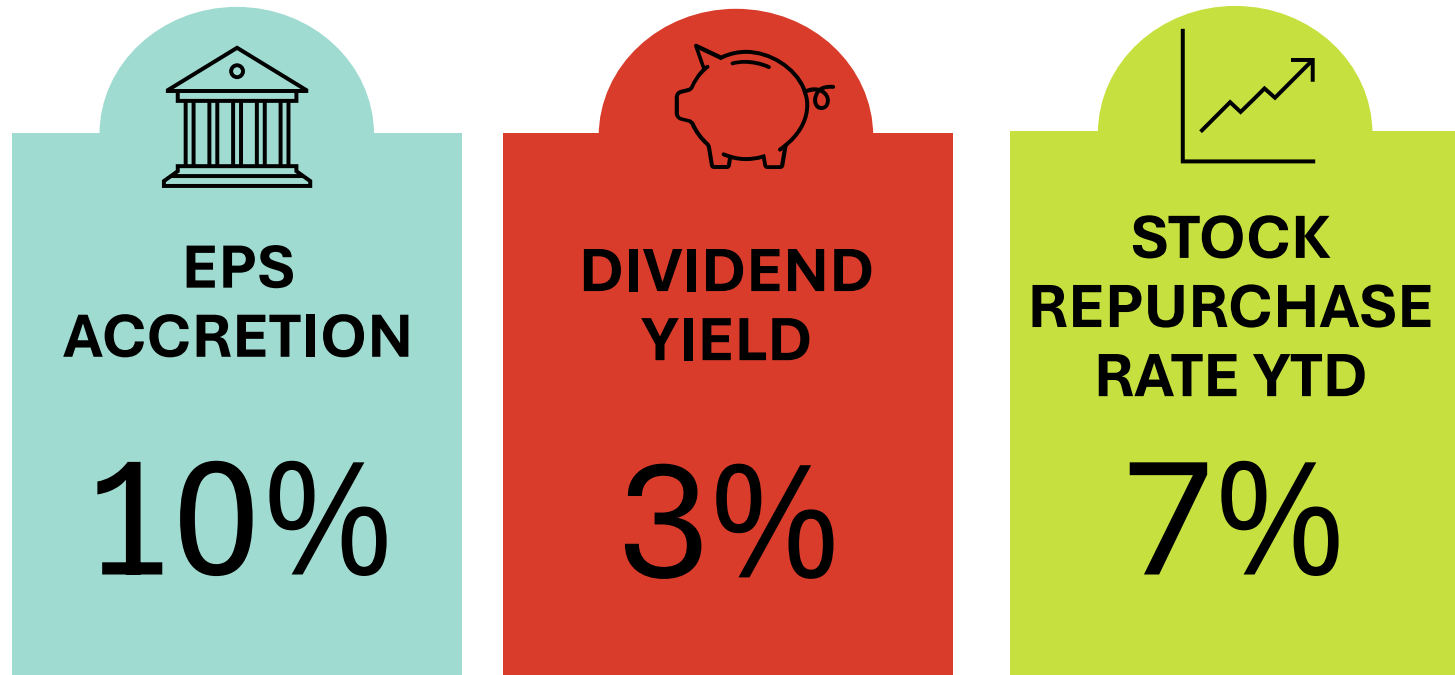
- Overall low level of nonperforming assets at December 31, 2025, with two relationships comprising nearly all the ending balance
- Classified asset levels continue to trend downward both in dollars and a percent of assets
- Enhanced credit monitoring process with a dedicated portfolio management team

## Other Considerations

- Experienced and talented management team
- Strong corporate governance led by our diverse board
- Strategic focus of improving shareholder value through enhanced earnings through expense control and earning asset growth, capital management, and long-term growth in tangible book value per share

# INVESTMENT CONSIDERATIONS

## PROACTIVE CAPITAL MANAGEMENT

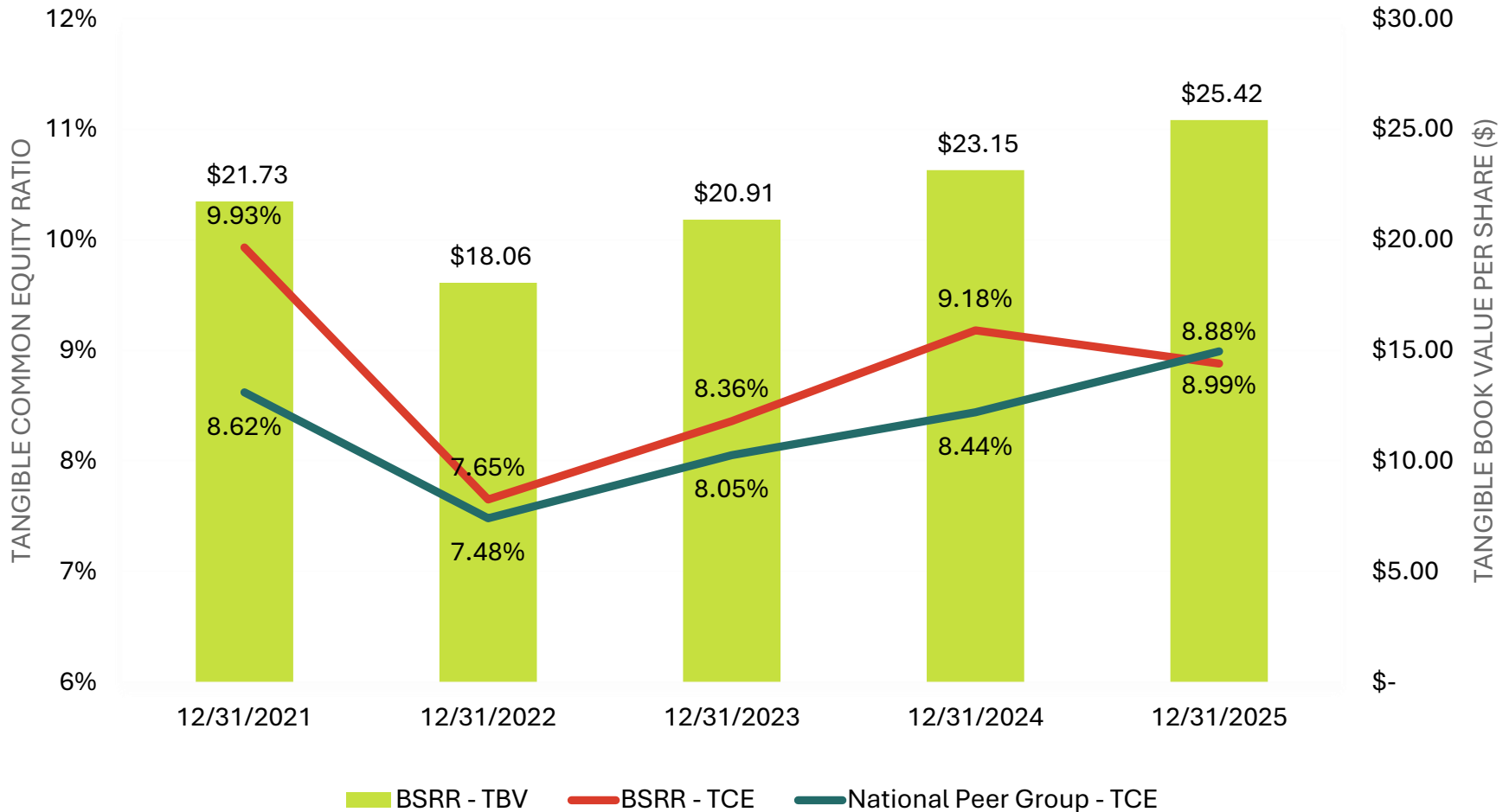


For the twelve months ended December 31, 2025

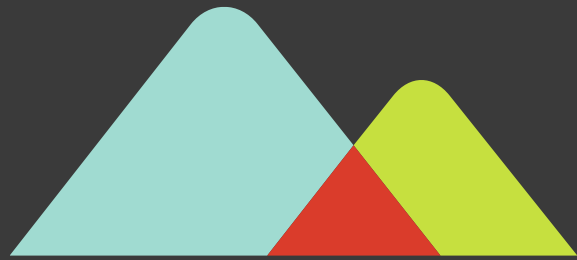
Focused on building strong long-term value as demonstrated by a combined **20%** in 2025

# TANGIBLE COMMON EQUITY

Period-End Ratios



**Note:** Year-to-Date 2025 is through September 30, 2025 for Peer Banks.  
 The National Peer Group ("NPG") is the median for publicly-traded banks in the U.S. with assets between \$500 million and \$5 billion.



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**FINANCIAL HIGHLIGHTS AND TRENDS**

# FINANCIAL HIGHLIGHTS

For the fourth quarter of 2025



## Strong Financial Metrics

- Record quarterly earnings of \$12.9 million as compared to \$10.4 million for the same period in 2024.
- Return on average assets improved to 1.39% as compared to 1.13% for the same period in 2024.
- Return on average equity increased to 14.09% as compared to 11.49% for the same period in 2024.
- Net interest margin rose to 3.79% as compared to 3.65% for the same period in 2024.
- Efficiency ratio improved to 57.7% as compared to 59.7% for the same period in 2024.
- Diluted EPS of \$3.11 per share for the full year of 2025, a 10.3% increase over the full year of 2024.



## Loans & Deposits

- Loan growth of \$55.1 million, or 9% annualized, during the quarter.
- For the full year of 2025, loans at amortized cost grew 9%, or \$215.4 million to \$2.5 billion, led primarily by a strategic enhancement to our existing mortgage warehouse program.
- Total assets increased to \$3.83 billion, or 6.0%, as compared to \$3.61 billion at December 31, 2024.



## Low-Cost Deposits

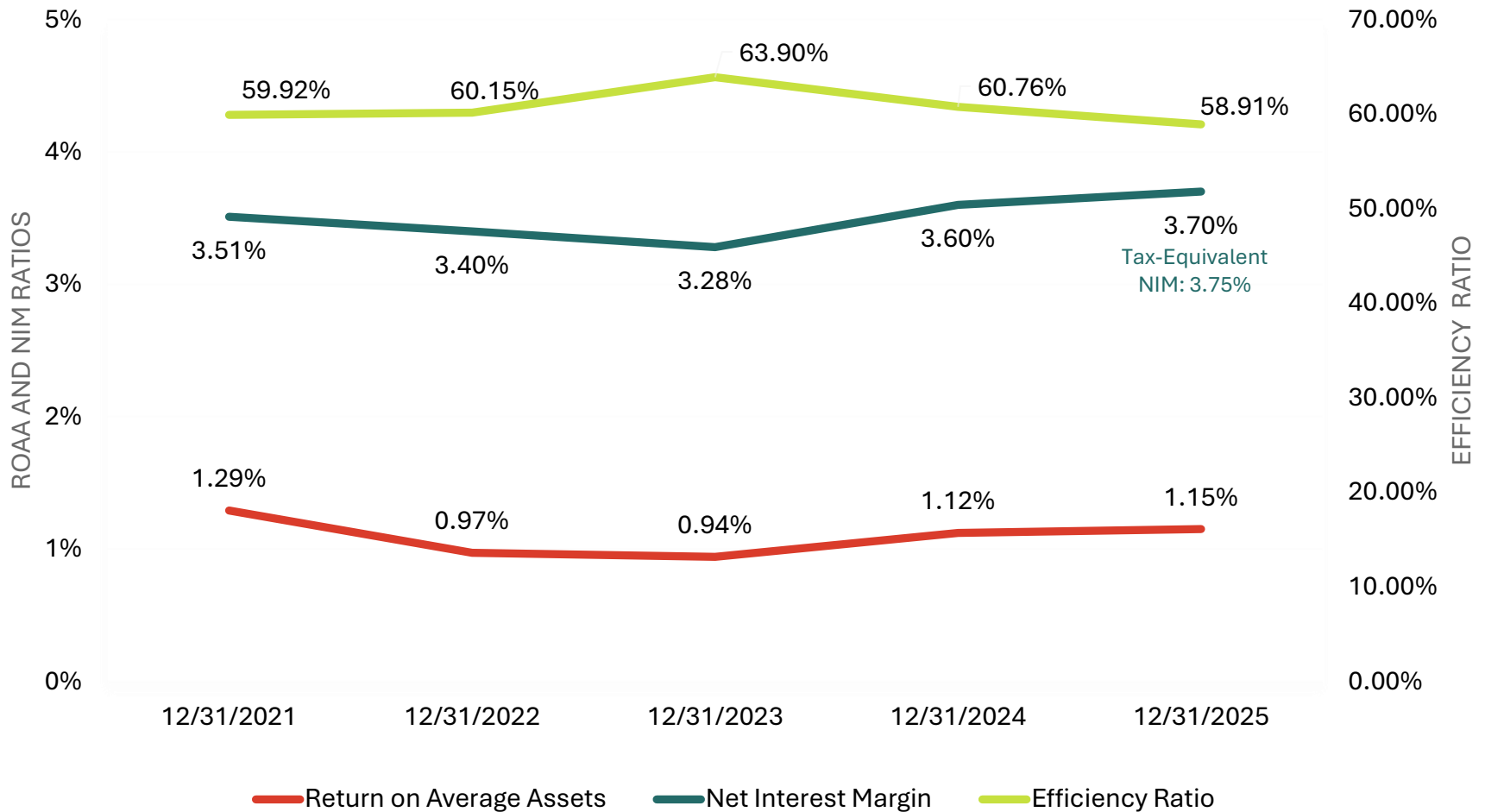
- Cost of average total deposits declined to 1.14%, during the quarter, as compared to 1.46% for the same period in 2024.
- Noninterest-bearing deposits of \$995.6 million at December 31, 2025, represent 35% of total deposits.



## Solid Capital & Liquidity

- Increased Tangible Book Value (non-GAAP) per share by 3.1%, to \$25.42 per share, during the quarter.
- Increased quarterly dividend by one cent to \$0.26 per share in January 2026 – our 108th consecutive quarterly dividend.
- Overall primary and secondary liquidity sources of \$2.0 billion at December 31, 2025.

# FINANCIAL TRENDS



# COMPOUND ANNUAL GROWTH RATES

Since December 31, 2019



**TOTAL  
LIABILITIES**

**7%**



**DEPOSITS**

**5%**

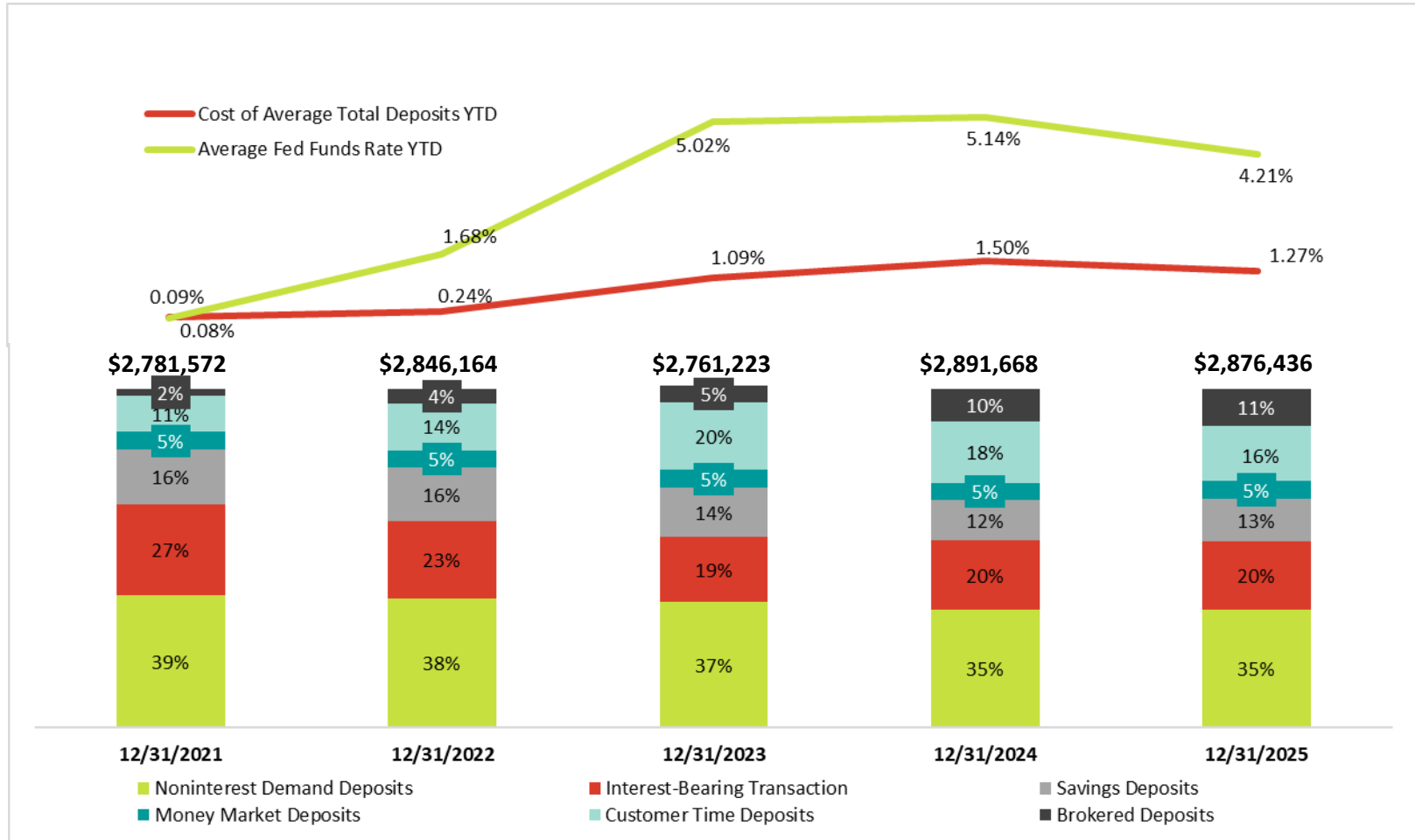


**EQUITY**

**3%**

# STRONG LOW-COST DEPOSIT MIX

(\$ in thousands)

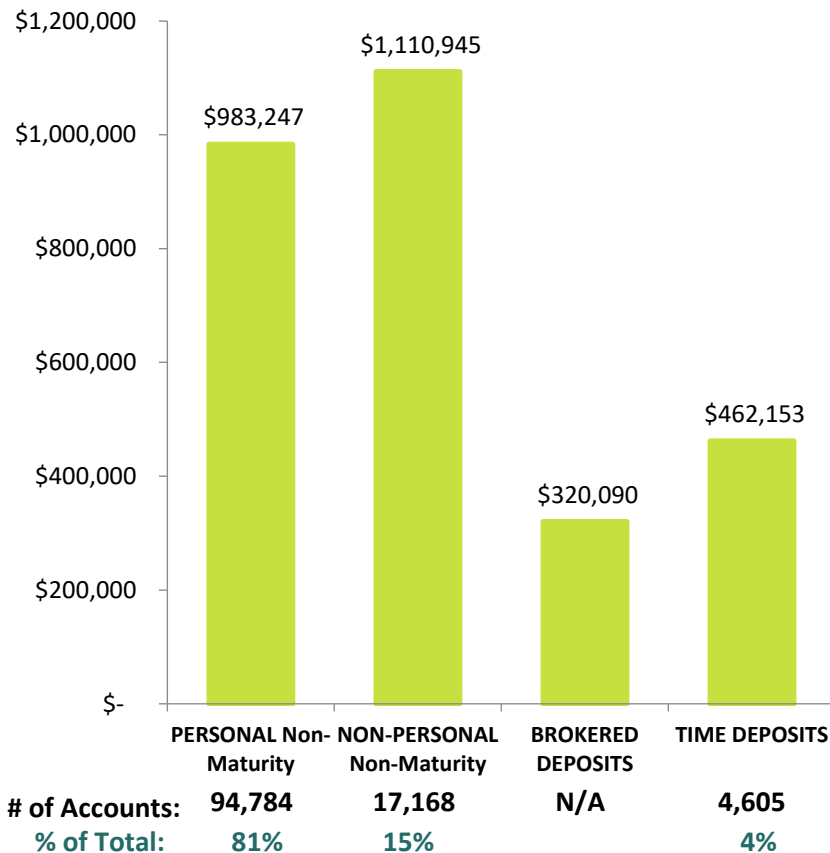


The above excludes customer repurchase agreements, which were \$131 million at year-end 2025.

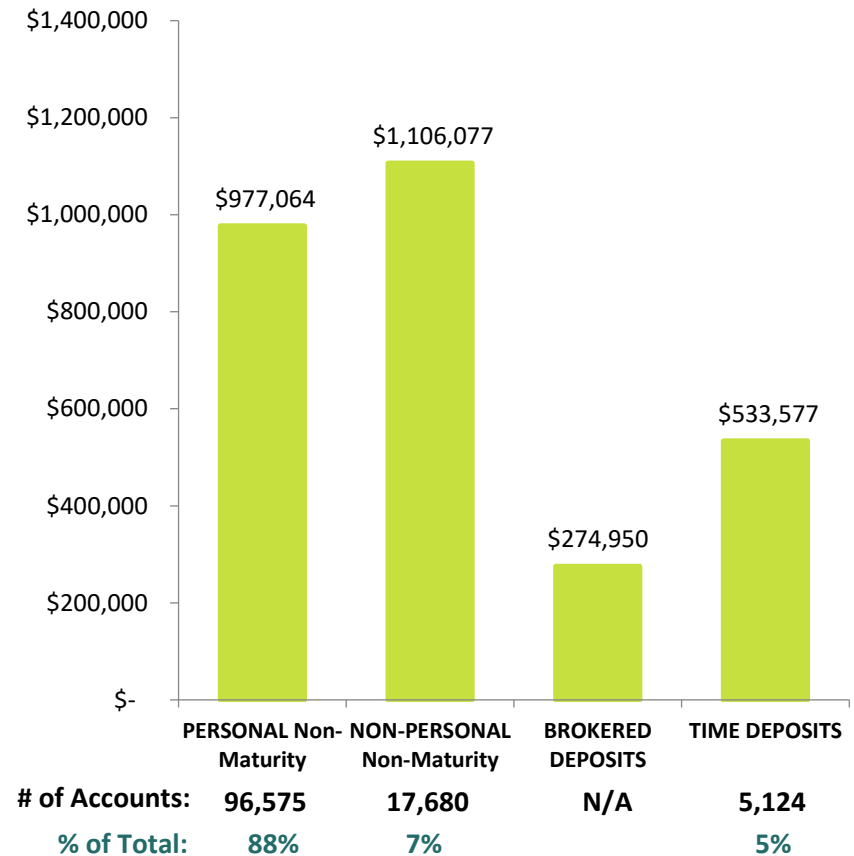
# PERSONAL/NON-PERSONAL DEPOSITS

(\$ in thousands)

## At December 31, 2025



## At December 31, 2024



**Note:** As of December 31, 2025, brokered deposits included \$194 million in time deposits and \$125 million in non-maturity deposits. As of December 31, 2024, all brokered deposits are considered time deposits. The Bank's brokered deposits are primarily used to efficiently fund Mortgage Warehouse.

# COMPOUND ANNUAL GROWTH RATES

Since December 31, 2019



**TOTAL ASSETS**

**7%**



**LOANS**

**6%**



**INVESTMENTS**

**7%**

# LOAN PORTFOLIO COMPOSITION

Period End Balances (\$ in thousands)

Loan Segment	12/31/2025			9/30/2025			12/31/2025			9/30/2025		
	Outstanding Balance (\$)	Outstanding Balance (\$)	Total Variance (\$)	% of Portfolio	NPL %	30-89 Days DQ %	Allowance Balance (\$)	Coverage Ratio (%)	Allowance Balance (\$)	Coverage Ratio (%)		
Commercial Real Estate	\$ 1,390,890	\$ 1,404,681	\$ (13,791)	54.61%	0.00%	0.33%	\$ 16,354	1.18%	\$ 16,511	1.18%		
Other Construction/Land	14,414	13,420	994	0.57%	0.00%	0.00%	296	2.05%	282	2.10%		
Farmland Real Estate	68,307	67,860	447	2.68%	2.51%	2.98%	496	0.73%	488	0.72%		
Other Commercial	192,577	185,958	6,619	7.56%	5.87%	0.07%	2,146	1.11%	5,880	3.16%		
Consumer Loans	2,810	2,909	(99)	0.11%	0.00%	0.39%	112	3.99%	113	3.88%		
<b>Subtotal</b>	<b>1,668,998</b>	<b>1,674,828</b>	<b>(5,830)</b>	<b>65.53%</b>	<b>0.78%</b>	<b>0.41%</b>	<b>19,404</b>	<b>1.16%</b>	<b>23,274</b>	<b>1.39%</b>		
Residential Real Estate	359,514	364,277	(4,763)	14.12%	0.06%	0.01%	1,411	0.39%	1,400	0.38%		
Mortgage Warehouse Lines	518,333	452,683	65,650	20.35%	0.00%	0.00%	665	0.13%	506	0.11%		
<b>Total</b>	<b>\$ 2,546,845</b>	<b>\$ 2,491,788</b>	<b>\$ 55,057</b>	<b>100.00%</b>	<b>0.52%</b>	<b>0.27%</b>	<b>\$ 21,480</b>	<b>0.84%</b>	<b>\$ 25,180</b>	<b>1.01%</b>		

The decrease in the allowance coverage ratio for commercial loans at December 31, 2025, is due to one loan relationship, within the wine/grape industry, that had a specific reserve of \$3.5 million at September 30, 2025, which was subsequently removed due to a \$2.3 million charge-off and a \$1.2 million reserve release. The \$1.2 million was paid in full prior to January 30, 2026.

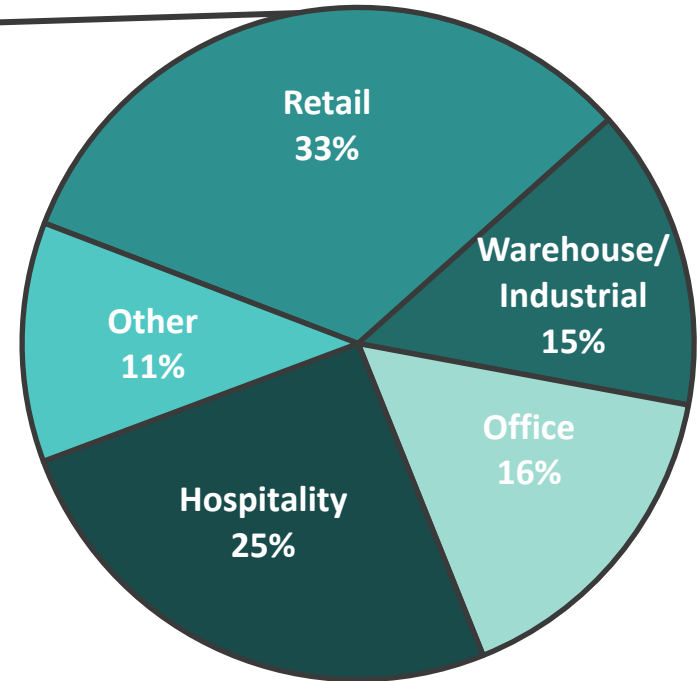
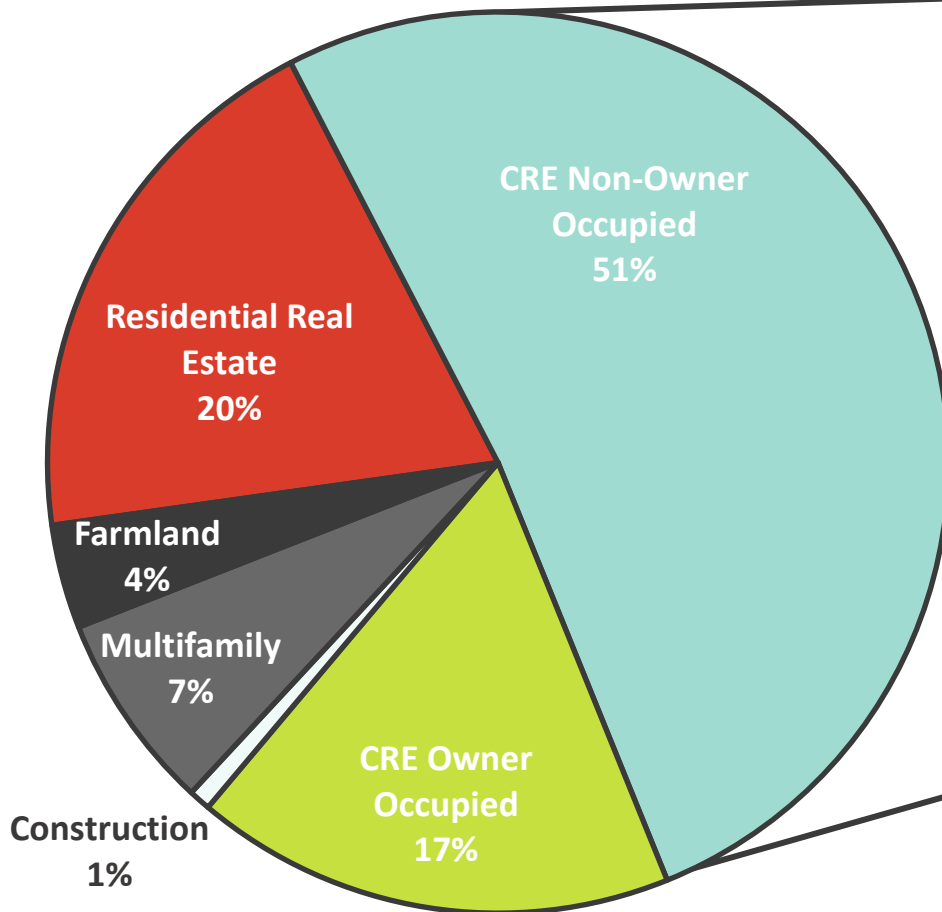
Management expects modest growth in average balances in Mortgage Warehouse from its current levels.

Residential Real Estate loans are comprised primarily of jumbo loans purchased in 2021 and early 2022 with strong underwriting.

# DIVERSIFIED REAL ESTATE PORTFOLIO

Total Real Estate Portfolio:  
\$1,833,125

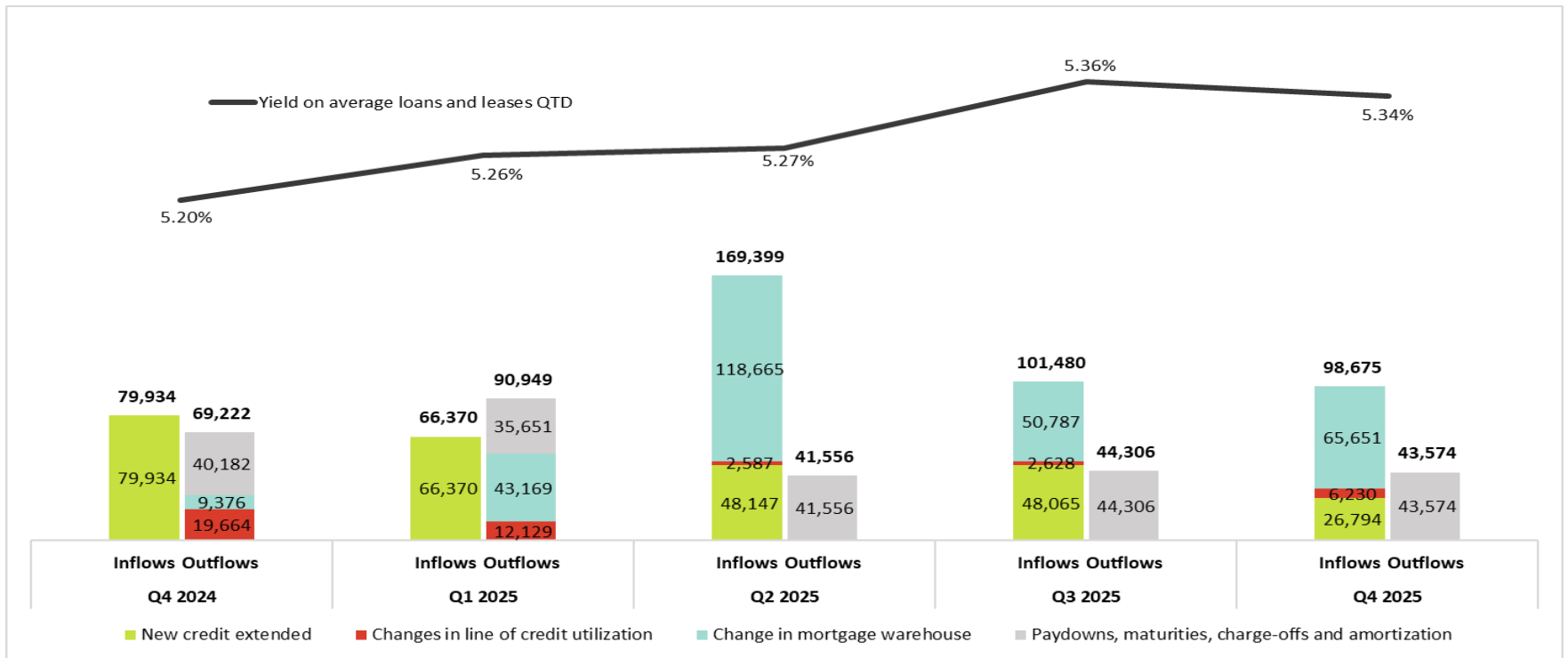
CRE Non-Owner Occupied  
Breakout



# LOAN PORTFOLIO ACTIVITY

(\$ in thousands)

Loan Rollforward	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Gross loans Beginning balance	\$ 2,320,629	\$ 2,331,341	\$ 2,306,762	\$ 2,434,605	\$ 2,491,779
New credit extended	79,934	66,370	48,147	48,065	26,794
Loan Purchases	-	-	-	-	-
Changes in line of credit utilization	(19,664)	(12,129)	2,587	2,628	6,230
Change in mortgage warehouse	(9,376)	(43,169)	118,665	50,787	65,651
Paydowns, maturities, charge-offs and amortization	(40,182)	(35,651)	(41,556)	(44,306)	(43,574)
<b>Gross loans ending balance</b>	<b>\$ 2,331,341</b>	<b>\$ 2,306,762</b>	<b>\$ 2,434,605</b>	<b>\$ 2,491,779</b>	<b>\$ 2,546,880</b>



# ASSET QUALITY TRENDS

Ratios	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
Classified Loans/Gross Loans	1.67%	2.38%	1.71%	1.91%	1.23%
NPLs/Gross Loans	0.23%	0.95%	0.38%	0.84%	0.52%
NPAs/Total Assets	0.14%	0.54%	0.21%	0.54%	0.39%
30-89 Past Dues/Gross Loans	0.10%	0.06%	0.01%	0.06%	0.27%
Net Charge-offs/Average Loans	-0.01%	0.58%	0.18%	0.15%	0.39%

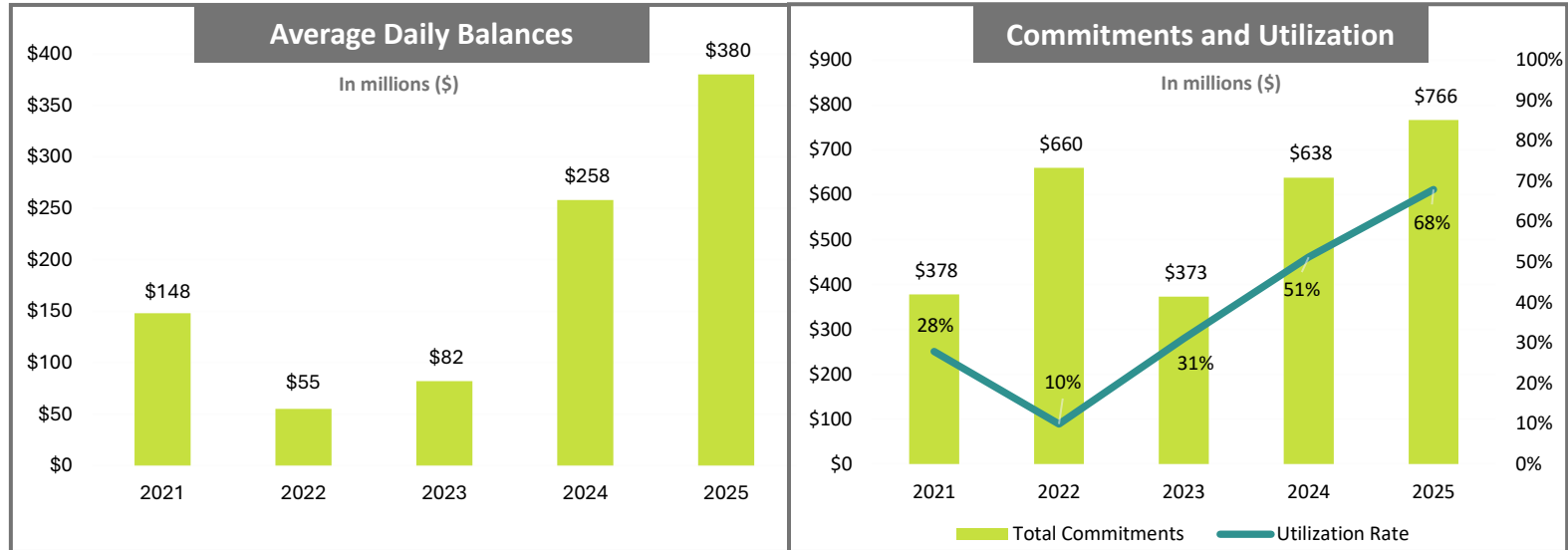
As of December 31, 2025, there is one commercial real estate loan in other real estate owned (OREO), resulting in a foreclosed asset totaling \$1.6 million. This property is currently under contract.

Nonperforming Assets at December 31, 2025, declined by \$4.9 million year to date. Approximately 98% of ending nonperforming loans are related to two agricultural relationships in the process of final resolution. One nonperforming agriculture loan for \$1.2 million was paid in full at the end of January 2026.

All the Company's nonperforming assets are individually evaluated for credit loss quarterly, and management believes the established allowance for credit loss on such loans is appropriate.

Of the \$6.8 million past due and still accruing \$3.8 million is due to maturities in process of renewal, and another \$2.0 million was related to a single Agricultural Real Estate loan that was brought current on January 9, 2026.

# MORTGAGE WAREHOUSE TRENDS



- Bank of the Sierra entered the Mortgage Warehouse business in 2004. We have recently expanded throughout 8 states from Florida to California.
- Continues to serve as a resilient and strategically important part of the Bank’s loan portfolio.
- Despite the dynamic real estate market, the Bank’s Mortgage Warehouse portfolio has demonstrated strong performance and continued strategic growth, driven by expanded relationships and prudent risk management.

- Effective pricing strategies based on the risk of underlying individual mortgage loans match funded primarily with wholesale funding of similar duration.
- Increased seller, product, and geographic diversification allow for maintenance of appropriate margins and application of prudent credit standards.
- Highly efficient operational and credit processes maintain low-cost structure while providing an agile platform for capitalizing on tactical and strategic opportunities.

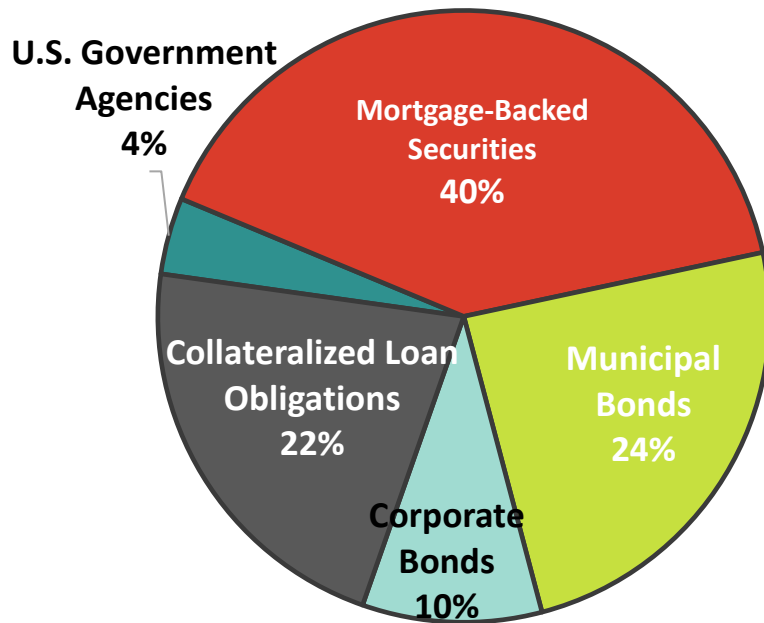
**Performance & Growth**

**Stable Margins**

# INVESTMENT PORTFOLIO COMPOSITION

Based on Period End Balances – Fair Value (\$ in thousands)

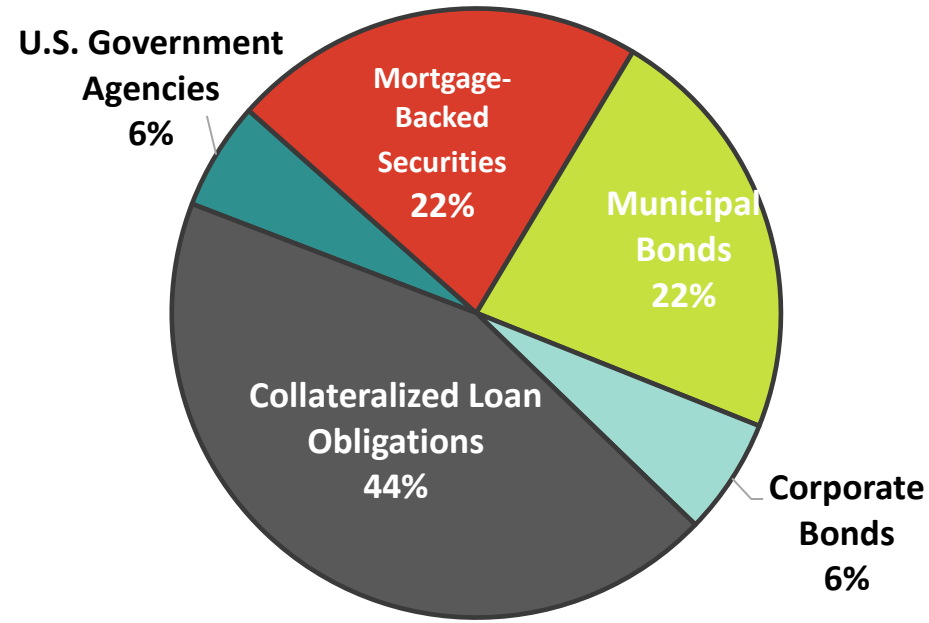
**At December 31, 2025**



**Fair Value - \$911,791\***

**Fourth Quarter Yield - 4.33%**

**At December 31, 2024**



**Fair Value - \$946,995\***

**Fourth Quarter Yield - 4.89%**

CLOs were \$199 million at December 31, 2025 as compared to \$413 million at December 31, 2024

**Note:** \*Fair value includes \$286 and \$291 million in securities designated Held-to-maturity as of December 31, 2025 and December 31, 2024, respectively.

# EXECUTIVE LEADERSHIP



**Kevin McPhail**

President and Chief Executive Officer

Joined Company in 2001; CEO since 2015

35 years of Banking Experience



**Christopher Treece**

EVP and Chief Financial Officer

Joined Company in 2020

34 years of Banking Experience



**Hugh Boyle**

EVP and Chief Credit Officer

Joined Company in 2020

31 years of Banking Experience



**Michael Olague**

EVP and Chief Banking Officer

Joined Company in 2009; CBO since 2015

48 years of Banking Experience



**Natalia Coen**

EVP and Chief Risk Officer

Joined Company in 2023

20 years of Banking Experience



**William "Bill" Wade II**

EVP and Chief Operations Officer

Joined Company in 2025

30 years of Banking and IT Experience

Experienced executive management team consisting of a combination of tenured and newer executives with a focus on earnings and balance sheet growth



# SIERRA BANCORP

## KEEP CLIMBING

**NASDAQ: BSRR**

**COMPANY CONTACTS:**

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Christopher Treece, EVP & CFO, [ctreece@bankofthesierra.com](mailto:ctreece@bankofthesierra.com)